

**WATERVILLE CITY COUNCIL
REGULAR MEETING
June 4, 2024, 6:00 p.m.**

There was a regular meeting that the Waterville City Council held in the Council Chambers at 6:00 p.m. on June 4, 2024.

Call to Order / Roll Call/Pledge of Allegiance

Present: Mayor Bill Conlin, Council members: Tim Smith, Roy McIntyre, and Jennifer Grobe

Also Present: Administrator Teresa Hill, City Engineer Jason Femrite, City Attorney Jason Moran via phone, Water/Waste Water Supervisor Mark Krenik, and Police Chief John Manning

Absent: Council Wollin

Special Guest: Mr. Tom Olinger CPA Partner Abdo

Mayor Conlin called the meeting to order at 6:00 p.m. Announced present members of Council and Staff and then led the Pledge of Allegiance.

Approval of Agenda/Additional Items to Agenda

Motion by Smith Seconded by McIntyre to approve the agenda as amended. Motion Carried 4-0.

Consent Agenda

A. Approval of Minutes- May 7, 2024, and May 13, 2024. B. Approval of Disbursements. 1. Electronic Fund Transfers (35745E-35773 E) \$46,494.56. 2. Payroll Check Numbers (2024169-2024211) \$46,468.74. 3. Computer-generated checks and Overtime (38547-38609) \$172,147.07. 4. Total Disbursements \$265,110.37. C. Impress Cash Fund-\$8.97. D. Resolution 2024R-017 Accepting Lake Treatment Donations. E. Resolution 2024R-018 Accepting Pickle Ball Donations. F. Law Enforcement Labor Services Memorandum of Agreement Earned Safe and Sick Leave. G. Chamber Bullheads Updated Request. H. Sunset Lane Meeting June 11, 6:30. I. 2024R-021 Holy Trinity Catholic Church Gambling Request. **Motion by, Smith Seconded by McIntyre to approve the Consent Agenda Motion Carried 4-0 .**

Petitions and Requests

Resolution 2024R-019 Waterville Township Variance Request.

Administrator Hill conveyed to Council that Attorney Moran has an updated finding of fact. This update is to issue a license instead of an easement. **Attorney Moran** stated it will be less costly and just as effective and Mr. Gehrke is in favor of the license. **Motion by, Smith Seconded by McIntyre to approve the Resolution 2024R-019 Waterville Township Variance. Motion Carried 4-0 . Attorney Moran** requested that Administrator Hill record this with the County for \$46.00.

Request to Review Golf Cart License Ordinance-Joyce Oliver.

Joyce Oliver 612 Tetonka View Drive approached Council with the request to review the ordinance that was developed in 2012. Denoting Ordinance 2012R-010 70.02 A. No person shall operate a motorized golf cart without obtaining a permit. This creates an issue when family visits on the weekend and they cannot obtain a permit, due to City Hours of operation. Stating she had checked with surrounding cities on their golf cart ordinance, and they only require one permit per/golf cart, not per driver, and she would like to see this implemented in the City of Waterville's Ordinance. **Motion by, Smith Seconded by McIntyre to have Jason Morran, Teresa Hill, and John Manning look at the ordinances that we have written compare them to Elysian's ordinance, and come back with a recommendation for our July Meeting. Motion Carried 4-0 .**

Citizen Time

Commissioner Preisler approached the Council to inform them what is happening at the County level. 1. The Bridge replacement in Waterville is slated to start on or before the 29th of July. The construction company is aware of the high water and will not attempt to start the project until the water regresses. The project will start when it is safe for them to start. The County is not forcing this contract until the water levels are in favor of the replacement. 2. No bonding bills were passed during this legislation session. The County is looking at flood prevention projects for the next year's session. 3. The County Board has had some discussions on retention pond projects and other ways to hold back water to help reduce flooding. There was a work session two weeks ago with the County Board to gauge the level of interest in setting aside funds to supply matching monies for grants applied for these types of projects. This will not start to even take effect until the 2025 budget session. If this passes it could take a few years to set aside funds for these types of projects. Specifically, funding that would be geared towards flood prevention.

New Business

2023 Audit Presentation

Tom Olinger Governmental Service Partner with Abdo presented to the Council the City of Waterville 2023 Financial Audit. Mentioning that there were similar findings for the 2023 financial year. The findings consist of: The financial statements were performed by Abdo and are compliant. There is limited segregation of duties due to the size of the staff in the office; this has progressed since the hire of a third employee in the office. There were material audit adjustments within the special assessments and capital expenses; Last year there was a legal compliance finding on a competent bidder document this year there were no legal compliance findings. Stating that the General Fund has decreased due to the budgeted expenses for the previous year, and is within the appropriate range. Within the General Fund, the revenues and expenditures did come in under budget. This is due to the budgeted federal dollars not coming through. The Capital project fund balance is about \$200k which has increased by about \$100k. This is from \$81k in taxes and the \$51k transfer from the General Fund to secure for future projects. The biggest change within the Special Revenue Fund is the Small Cities Loan of \$51k which was a contribution to this fund. Within the Debt Service Fund, there are three bonds issued in addition to the equipment note. Noting the trend of Maturity of two notes one in the amount of \$40k coming off the debt schedule in 2025, and then \$750k to come off in 2030. Keep in mind that if new debt does come on that is tied to a Tax Levey, it will put an increase on the overall Levey until debt starts to fall off in 2030. There has been a decrease in both the water and sewer funds. This is primarily due to the running costs. The City was aware of this and had a utility rate study performed and those rates were implied in 2024. The Refuse fund is a break-even fund. The Cash and Investment balances have overall decreased by \$150K. This was impacted by the \$275k decrease in the water and sewer funds. With the taxes, they are set right in line with cities of similar size, the one thing to note for the taxes is that the new market value has had most of the impact alongside the general market value.

Purchase of Land Request -Brian and Colleen Morris.

Mr. Morris parcel ID 24.022.55.25 approached the Council requesting to purchase a piece of City land that is adjacent to their property. There was a discussion between the Council and Staff about the possible plans for the use of the land. **Motion by, McIntyre Seconded by Smith to deny the Request. Motion Carried 4-0.** **Mr. Morris** requested to be notified if the City decides to change its mind.

Septic System Waste Water Dump Station

Water / Waste Water Supervisor Krenik expressed to the Council and Staff that to have this type of service accepted in the treatment plant would have lots of challenges. The main challenges to this would be getting the building set up to receive and process these types of septic dumps; the entry and accessibility to this are limited; having the proper amount of staff to provide this service; along with the unknown of what could be coming in from the septic to process is unknown, and to provide this service with all the local campgrounds will be a huge undertaking along with a large monetary investment. **Motion by, Smith Seconded by McIntyre the City Council will not intersect perusing a septic system dump station due to the cost and advice of the Waste Water Supervisor. Motion Carried 4-0.**

Police Commission Recommendation for Police Sargeant Job Description

Administrator Hill conveyed to the Council that the Commission has reviewed and approved this recommendation. **Motion by, McIntyre Seconded by Grobe to approve the Job Description. Motion Carried 4-0.**

Police Commission Recommendation for Hire and Pay of Police Sargeant.

Chief Manning expressed to Council that Officer Mathis is a fully motivated officer who only excels in her tasks. She also comes highly recommended by her peers to obtain the Police Sargeant position. Officer Mathis is the Use of Force, Taser Instructor, and all our fellow officers look up to her. As Chief, I am very proud. Pertaining to pay it was defined that she will receive a \$1.00 increase in pay and her accrual rate of 1.5 times will not change, but she will be allowed the availability of obtaining an additional 50 hours of vacation within her current steps. **Motion by, Grobe Seconded by Smith to accept the Pollice Commission recommendation higher Amy Mathis as a Police Sargeant with the wages as specified. Motion Carried 4-0.**

Memorandum of Understanding Sargeant Pay

Motion by, McIntyre Seconded by Smith to approve the memorandum of understanding for the Sargeant pay. Motion Carried 4-0.

Police Commission Recommendation for Reserve Unit

Chief Manning expressed to the Council that there is no hiding the lack of Law Enforcement candidates. The department is looking to start a Reserve Unit for students who are pursuing a career in law enforcement. Looking at this as a possible feeder program for the future. For students, this could be used as intern credits or something to add to a resume. Another possibility of recruitment will be retired military police officers. Three candidates

would be ideal as a starting point with room for continued growth. There will be two candidates this year. The Reserves will not be replacing the officer's work they will be at the aid of the officer. As for a uniform, there will be no resemblance to an officer's uniform, but a polo would be desirable with slacks. There was a discussion between Council and Staff about the attire the Reserves would be wearing. **Motion by, Smith Seconded by Grobe to have Chief Manning and Sargent Mathis continue with plans for the Reserve Unit as they see, and will accept the Civil Service recommendation. Motion Carried 4-0 .**

2024 Street Projects

Administrator Hill reported to the Council that in 2014 there was a Reserve Committed fund started for the future cost of street improvements with a balance of approximately \$150k. Currently, there is \$70k budgeted for this year's street projects. Asking if the Council would be willing to entertain the use of some of the committed funds for this year's street projects. These committed funds come from County State Aid monies that have been set aside. The Street projects to be completed this year will be seal coating the Treatment Plant and City streets is \$26,840.00. Crack repairs on Main St., Goltz Ave, Wolf Ridge Lane, Deer Creek Lane, and the Treatment Plant are \$13k. Dust coating with one application performed in the City will cost about \$2668.00. These costs are about \$43k of the budgeted funds. North Shore Drive needs repair as well. This has been estimated at \$100k. There was a discussion between Council and Staff on the current conditions of North Shore Drive and the possibility of Water and Sewer being provided, along with a discussion of how or if this would be assessable. **Engineer Femrite** emphasized that he would be happy to go with the Street Supervisor to see what makes sense for the long term for this road. With the small calculation just performed the cost of this road will be approximately \$115k. **Motion by, Conlin Seconded by Smith to have the additional \$150k assessable to the street department to use on North Shore Drive. Motion Carried 4-0 . Motion by, Grobe Seconded by Smith to authorize 10k. in seal coating, crack filling, dust coating, and jetting as presented. Motion Carried 4-0 .**

Reschedule August 6, 2024, and November 5, 2024, Council Meeting Dates

Administrator Hill communicated that August 6th is the Night to Unite, and November 5th is the Canvassing of the votes. Discussion was had between Council and Staff. **Motion by, Smith Seconded by Grobe to reschedule the August 6th and November 5th, 2024 Council meetings to August 5th at 6 pm the normal time and November 7th at our normal time. Motion Carried 4-0 .**

Herbert Street Drainage Project Final Pay Request

Engineer Femrite conveyed that this project is fully complete and requested a final pay for the project. **Motion by, Smith Seconded by McIntyre to approve Herbert Street Drainage Project final pay request. Motion Carried 4-0 .**

Letter of Resignation

Council McIntyre gave his resignation from his City Council seat as of June 30, 2024. Also thanking all the people, he has worked with side by side in his 10 years as a Waterville City Council member. He has enjoyed his time on the Council. **Motion by, Grobe Seconded by Smith to accept the letter of resignation. Motion Carried 4-0 .**

Resolution 2024R-020-Declaring a Vacancy

Motion by, Grobe Seconded by Smith to accept Resolution 2024R-020 Declaring a Vacancy. Motion Carried 4-0 .

Appointment of Night to Unite Organizer

Mayor Conlin stated he would like to take on the position of Night to Unite Organizer. **Motion by, Smith Seconded by Grobe to appoint Mayor Conlin to the Night to Unite Organizer. Motion Carried 4-0 .**

MN DNR Gage Installation and Monitoring Agreement.

Administrator Hill reminded the Council of the previous purchase of a water gage. We are now in the position to have the gage installed and monitored. Within this agreement, it states that the DNR will install and monitor the gage at \$9,000.00. With a plan to install it this month. **Motion by, McIntyre Seconded by Grobe to approve MN DNR gauge installation and Monitoring Agreement. Motion Carried 4-0 .**

Paquin Street Patch

Administrator Hill expressed that Paquin Street is still left unfished from the movement of the sewer line for the property owner. There have been multiple complaints on the ruts in that section of road. Mr. Hiller stated that he could get the work filled and patched for \$5,900.00. **Motion by, McIntyre Seconded by Smith to approve the Paquin Street Patch and the bill be sent back to the property owner. Motion Carried 4-0 .**

THC Moratorium

Attorney Moran requested the Council to move forward with this high-level THC moratorium. The State Department of Cannabis is starting to issue licenses. We have been waiting for the State to develop proposed guidance for zoning ordinances for the public, but that is yet to be seen. This moratorium will only be effective up to January 2025. We should start a work session to start getting ordinances set into place along with the number of licenses that you are willing to distribute. **Motion by, Smith Seconded by McIntyre to set a Public Hearing for the Moratorium at the regular July Council Meeting. Motion Carried 4-0 . Motion by, Smith Seconded by Grobe to approve the first reading of the THC Moratorium. Motion Carried 4-0 .**

Reports

Attorney Report

Attorney Moran had nothing additional to report.

Engineer's Report

Engineer Femrite noted to the Council and Staff that he and a handful of Engineers were here in Waterville to look at the structural integrity of the City Hall, Library, Sr. Center, and Fire Hall. They all will provide the data that they had collected in a mutual report of findings. This will be presented to you at the July meeting.

Administrator Report

Administrator Hill denoted that the Knutson Construction Management team is still the low bidder. The EDA authorized Attorney Moran to start a contract, and on Thursday they will meet to approve the contract.

Council Discussion

Council Smith thanked Roy McIntyre for your service doing a great job on the Council. **Council McIntyre** replied he enjoyed all his time spent and the help he was able to give with his professional background.

Adjournment

Motion by, Wollin Seconded by McIntyre to adjourn the meeting at 7:37 pm Motion Carried 4-0.

William Conlin, Mayor

Teresa Hill, Administrator-Clerk