

Minutes
Silver Lake City Council
6:30 Regular Meeting
October 16, 2023
Silver Lake Auditorium

Mayor Bebo called the regular meeting to order at 6:30pm

Members present: Mayor Bruce Bebo, Councilor Sandie Adams-Bruins, Councilor Joanna Jacobs, Councilor Chris Penaz;
Councilor Josh Mason

Members Absent: None

Staff present: Diane Pedersen, Dale Kosek, Wyatt Konen, Rebecca Helberg

Others present: Jarrett Whitney, Ray Bandas, Commissioner Nathan Schmalz, Liz Danielson, Duane Mallak, Chad Bandas,
Pat Loebertmann, Justin Wawrzyniak

Motion by Councilor Jacobs second by Councilor Penaz to approve the agenda. Vote for: Unanimous. Motion carried.

Consent Agenda:

1. Approve minutes from October 2, 2023, Regular Meeting
2. Approve Payroll #20 and September Ambulance
3. Approve Claims

Motion by Councilor Penaz second by Councilor Adams-Bruins to approve the Consent Agenda. Vote for: Unanimous. Motion carried.

Public Comment – None

New Business:

1. MNSPECT contract renewal for 2024-2026.
 - a. Change inspector percentage pay from 60% to 75%.

Motion by Councilor Penaz second by Councilor Jacobs to approve the contract with MNSPECT for 2024-2026. Vote for: Unanimous. Motion carried.

2. Commissioner Nathan Schmalz & Liz Danielson – McLeod County Economic Development – introductions
 - a. Commissioner Schmalz
 - i. Serves Lester Prairie, Winsted and Silver Lake as well as Bergin and Hale Townships.
 - ii. Cannabis ordinance
 1. If an ordinance is created, it needs to be something that can be enforced. Can the current tobacco ordinance be updated to include cannabis.
 2. Discussed recycling.
 - b. Liz Danielson – McLeod County Economic Development Coordinator
 - i. Business Development Policy – tax abatement
 - ii. Direct Affordable Housing Aid – state funding to counties as well as cities over 15,000 in population. This funding is scheduled to go for five years with the first installment paid in December of this year. The main incentive is to help reduce the number of cost burden households (households that spend 33% or more of income on housing) in the county.
 - iii. ARPA funds are being used for McLeod County Fairgrounds and parks.
 - iv. Discussed MN Department of Employment and Economic Development (DEED) County Profile. Changing focus from job attraction and retention to people attraction and retention.
3. Resolution 23.21: Resolution Approving Farmland Lease Agreement with Matthew Brinkman
 - a. Eight bids were received ranging from \$210 per acre to \$270 per acre.

b. The contract was awarded to Matthew Brinkman for the bid of \$270 per acre for a total of \$10,165.50.
Motion by Councilor Penaz second by Councilor Adams-Bruins to approve Resolution 23-21 approving land lease agreement with Matthew Brinkman in the amount of \$270 per acre with a total of \$10,165.50 due on January 1, 2024, 2025, 2026. Vote for: Unanimous. Motion carried.

Department Business:

1. Public Works

a. Public Works Liaison Report

- i. Scheduled to pump down pool 10/30/2023 and winterize.
- ii. Aqua Logic has been contacted multiple times to remove the old pool slide.
- iii. PeopleService scheduled to flush hydrants this week. Public Works posted signs.
- iv. Email received regarding increased brush grinding rates due to fuel increases.
- v. Leaf sweeping is being completed.
- vi. Jerrod successfully completed his Pool Operator certification.
- vii. Received a quote from Borka for 2024 snow removal. There is a \$10 per hour per truck increase due to increased fuel costs. Each company has their own region they are responsible for, so if we went with another company, it is likely that it would be 2-3 days after a snowfall that we would have service.

Motion by Councilor Mason second by Councilor Jacobs to approve 2024 snow plowing quote from Borka with a \$10 per hour per truck increase which is \$110 per truck per hour. Vote for: Unanimous. Motion carried.

viii. New Christmas decoration electrical completed by Major Electric.

ix. Pool heater estimates

1. AEM Mechanical \$29,527.01
2. Aqua Logic \$14,815.88
3. Horizon Pool \$21,342.75 for two smaller heaters/ \$28,071.50 for one heater.
4. Mikolichek Plumbing & Heating \$25,640

- a. Horizon Pool and Mickolichek Plumbing gave the two most through bids. Horizon Pool provided two options, one with two smaller heaters with 406 BTU's each and one with one heater with 752 BTU's. Running two heaters would allow one to keep working should the other go out. Mikolichek Plumbing proposed a heater with 352 BTU's.
- b. Public Works Supervisor and Councilor Adams-Bruins attended organizational meetings to request support for pool heater replacement. The Lions have given \$5000.

Motion by Councilor Mason second by Councilor Adams-Bruins to approve the bid from Horizon Pool in the amount of \$21,342.75 for two new pool heaters. Vote for: Unanimous. Motion carried.

x. City Hall insulation estimates

1. Retro Green Energy \$8,617
 - a. Will he replace the metal that he takes off to perform the work?
2. Ricky's Insulation \$3,000
 - a. Tabled until November meeting to allow time to better research options.
 - b. The city hall ceiling needs to be repaired before work is done. Once spray foam is used, you cannot disturb it.
 - c. The City Hall budget has a balance of \$8,558 for repairs.

2. Public Safety Liaison Report

a. Fire Department Report

- i. Review of calls.
- ii. Received \$4,000 grant from Compeer.
- iii. Brought in trainers for grain bin rescue and ag machinery extrication.
- iv. January hosting grain bin dos and don'ts seminar for farmers and elevator workers. Hoping for 100-150 people and the seminar will be free of charge.

- b. Sheriff's Report
 - i. Event Type Report
 - ii. September Police Hours
- c. Ambulance Report
 - i. An Ambulance meeting was held on October 12, 2023.
 - ii. No staffing changes as of 10/16/2023:
 - 1. 5 EMR's
 - 2. 7 EMT's
 - 3. 1 new recruit waiting on EMT testing date.
 - 4. 2 students in school (1 of which is currently active on Silver Lake Ambulance).
 - 5. Currently have 4 crews with active rotation. The newest member has been going on calls and doing well.
 - 6. Will be sending out a donation letter at the end of September.
 - iii. September call stats:
 - a. 13 calls
 - b. Previous Year (2022)
 - i. 7 calls

3. Municipal Liquor Liaison Report

- a. Wyatt Konen, MLS Manager, passed his food managers class and applied for certification.
- b. Planning tournaments for pool and card players.
- c. Selling football boards each week with gambling manager.
- d. Reorganizing on-sale inventory for efficiency and cost effectiveness.
- e. Planning new daily specials. Examples include Whisky Wednesday, Family Night, Open Jukebox, Tap Tuesday, etc.
- f. Creating a new food menu.
- g. Will have football bingo for Vikings Monday Night Football on October 23rd.
- h. A Halloween party and costume contest is planned for October 28th.
- i. Taste of the Holidays event planned for November 4th.
- j. Reviewed financials. A correction was made to 2023 inventory adjustment journal entries that were entered incorrectly. This has corrected the financials for the year.
 - i. MTD profit of \$1,690.93
 - ii. YTD profit of \$45,667.23
- k. Request for Action to Hire Rebecca Helberg as a full-time lead bartender at Grade 13 Step 4 \$19.11 per hour. She has worked as a part-time bartender since September 2022.

Motion by Councilor Penaz second by Councilor Adams-Bruins to hire Rebecca Helberg as a full-time lead bartender at Level 13 Step 4 at a rate of \$19.11 per hour effective 10/17/2023. Vote for: Unanimous. Motion carried.

- l. Meeting closed for employee performance evaluation of Wyatt Konen.

Motion by Councilor Penaz second by Councilor Jacobs to retain MLS Manager Wyatt Konen with a step increase from Grade 17 Step 2 to Grade 17 Step 3 at a rate \$23.84/hour effective September 6, 2023. Vote for: Unanimous. Motion carried.

4. Community Development

- a. The Planning Commission was scheduled to meet on October 10, but the majority of the committee did not attend, so the meeting was cancelled.
 - i. The mural grant survey was mailed to 844 households on Wednesday, October 11. As of today, 80 responses have been received. Once the muralist completes a mockup, the grant will be submitted.
 - 1. It was suggested to include a Bohemian/Czech boarder incorporated into the mural.
 - 2. It was also suggested to include more historical aspects, wildlife on the lake and the school.
 - 3. The grant will contain language stating that the concept of the mural is a working model and will continue to be added to and refined to the satisfaction of the city council.
 - ii. Tree trimming has been completed. Someone is coming to remove the pile of dirt.

5. Administration

a. Clerk's report

i. September Treasurer's Report

1. The city's contribution to the infrastructure project remains at \$199,663.71. The expected calculation for the disbursement of these costs is \$104,682.75 from the water fund, leaving a current balance of \$123,411.02; \$123,423.27 from the sewer fund, leaving a current balance of \$139,390.60; and \$60,892.18 from the storm sewer fund, leaving a current balance of \$4,183.12. A meeting will be scheduled with Shannon Sweeney to discuss the allocation.
2. 2023 LGA is \$253,831 and is received in July and December.

ii. Request for Action to close city hall the Friday following Thanksgiving.

Motion by Councilor Mason second by Councilor Jacobs to close city hall the Friday after Thanksgiving. Vote for: Unanimous. Motion carried.

b. Employee evaluation for Diane Pedersen, City Clerk.

Motion by Councilor Adams-Bruins second by Councilor Jacobs to retain Clerk Pedersen with a step increase from Grade 17 Step 7 to Grade 17 Step 8 at a rate of \$26.98 per hour effective 9/1/2023. Vote for: Unanimous. Motion carried.

Old Business

1. A discussion was held regarding the Cookie Lab Lease.

a. Agreement timeline – 6 months

b. License of Premises – areas that are accessible:

- i. Kitchen
- ii. Areas where storage and freezer are located.

c. Scheduling – done through the city office.

d. Maintenance of kitchen space

- i. The city maintains property and equipment to stay in compliance with the licensing requirements of the state as a certified commercial kitchen.
- ii. The Cookie Lab responsible for their items stored in the building:
 1. Freezer
 2. Dry storage rack
 3. Other equipment as needed.

e. Proposed Fees

- i. Security Deposit - \$500
- ii. Flat Rate \$150 per month
- iii. Cleaning fee if not done after use \$100

f. Food Manufacturer license

- i. Maintained by The Cookie Lab to ensure they are compliant with licensing needed to produce as they currently do.
- ii. The Cookie Lab would coordinate and pay for the necessary Dept of Agriculture inspection of the kitchen. If large items or areas of attention are required to meet the licensing needs, then a discussion would be held with the council/necessary parties to proceed.

g. Services Provided

- i. Building/Facility/Equipment maintenance to be done and paid for by the city as these costs/fees fall more in line with the kitchen space.

h. Insurance – The Cookie Lab would maintain their current business insurance with the City of Silver Lake being added as an insured to the policy.

i. If the Health Department says our facilities do not meet requirements and the required changes are more than what the council want to address, the agreement will end.

Motion by Councilor Penaz second by Councilor Adams-Bruins to approve a use agreement with The Cookie Lab to be approved by the city attorney and signed by the mayor. Vote for: Unanimous. Motion carried.

2. A discussion was held regarding the Grand Ave Curb Cut Agreement with Aaron Rasmussen. The agreement is effective today, October 16, 2023, and is to be returned with the two required Exhibits by Wednesday, November 15, 2023, to be approved at the November 20, 2023, city council meeting.

Motion by Councilor Penaz second by Councilor Mason to approve the curb cut agreement with Aaron Rasmussen. Vote for: Unanimous. Motion carried.

3. Wage scale review.
 - a. Proposed 4% COLA increase. This is to be changed to 2.50%.
 - b. Proposed moving lifeguards from Grade 10 to Grade 11. When the initial wage study was completed, they were placed in the same grade as bartenders. Bartenders were moved from Grade 10 to Grade 11 in 2022. The council recommends leaving lifeguards in Grade 10 and adding more steps.
 - c. Move Recreation Director/Pool Manager from Grade 12 to Grade 13, same grade as the lead bartender. The council recommends leaving these positions at Grade 12 and adding more steps.
 - d. Proposed \$2/hour Water Safety Instructor (WSI) increase while teaching swimming lessons.
 - e. Top-of-scale increase.
4. 2024 Budget review.
 - a. Water & sewer rates are very close to the RDA target rates.
 - b. Storm sewer rate is the one that is way behind what the RDA target rate is. The target rate is \$23.56, the city's current and proposed rate for next year is \$7.00.
 - c. Health insurance was calculated at 10% in the preliminary budget, it came in with a 5.13% increase.
 - d. Administrative costs – the tracking of my time has been off. 52% of my time is budgeted as administrative, with 42% budgeted as Community Development. I need to be more aware of my time tracking.
 - e. Municipal Building – city hall remodel – decrease repairs/remodels to \$10,000.
 - f. Public Works – wages – Dale's retirement with vacation payout and the cost of his replacement. Add Dale's replacement as of April.
 - g. Swimming Pool – \$20,000 was removed for the cost of the pool heater, hoping for donations from organizations to cover that cost. If not, \$30,000 is needed for replacement.
 - h. Preliminary budget tax levy % was 11.04%. With the removal of the pool heater, the tax levy is currently at 7.56%.
5. Resolution 23-22; Resolution Approving Health Insurance for full-time non-elected employees. The preliminary budget projected a 10% increase. The actual increase is calculated at 5.13%. The deductible will increase from \$5500 for single coverage to \$5800 with family coverage going from \$11,000 to \$11,600. The council agreed to continue with HSA contributions of \$1500 for single coverage and \$2500 for family coverage.

Motion by Councilor Penaz second by Councilor Jacobs to approve Resolution 23.22 approving the continuation of health insurance with Blue Cross Blue Shield for 2024 and maintaining the current HSA contributions. Vote for: Unanimous. Motion carried.

6. Resolution 23-23: Resolution accepting the VOTER Account Agreement with McLeod County. The Office of the Secretary of State (OSS) is distributing funds to each county to be used for election purposes. McLeod County is responsible for elections with its county and is asking cities to authorize the county to expend the allocated amount for authorized purposes on behalf of the city. The current allocation to the county is \$185.98, with the City of Silver Lake's portion being \$46.50.

Motion by Councilor Adams-Bruins second by Councilor Penaz to approve Resolution 23.23 approving to accept the VOTER Account Agreement with McLeod County for election expenses. Vote for: Unanimous. Motion carried.

Open Discussion

1. Playground update - Rainbow Systems will honor the current quotes next year if we choose to use them. Working on a grant to cover the costs which is due by December 31, 2023.
2. Creamery
3. Christmas light update – electricity hookup is complete.

Adjourn

Motion by Councilor Penaz second by Councilor Jacobs to adjourn the meeting at 10:15pm. Vote for: Unanimous. Motion carried.