

Minutes
Silver Lake City Council
Regular Meeting
6:30pm, September 19, 2022
Silver Lake Auditorium

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

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

Staff present: Diane Pedersen, Karissa Kurth, Jerrod Weckman

Others present: Karin Ramige, Ryan Hansch, Scott Qualle, Greg Stang, Lee Ortloff, John Rhodeberg, Dylan Brakermeier, Alexis Winfrey, Mariah Vasek, Jean Horrmann, Jenny Nowak, Jen Chrast

Motion by Jacobs second by Penaz to approve the agenda. Vote for: Mayor Bebo, Councilor Penaz, Councilor Jacobs, Councilor Adams-Bruins. Opposed: Councilor Winfrey due to size of council packet. Motion carried.

Consent Agenda:

1. Approve minutes from August 15, 2022, Regular Meeting
2. Approve Payroll #17, #18 and #19 and August Ambulance
3. Approve Claims
 - a. Provide a summary page for Pola-Czesky Days workers' pay and expenses.
 - b. Provide the Solar Fund spreadsheet showing the credit return to the city.

Motion by Winfrey second by Jacobs to approve the Consent Agenda. Vote for: Unanimous. Motion carried.

Public Comment – Dylan Brakermeier, purchased the building at 317 Main Street W. and would like to add a lower-level apartment 600 square feet, one bed/one bath. His property would then have the upper-level apartment, lower-level apartment and commercial space. He was referred to the Planning Commission for zoning issues.

New Business:

1. McLeod County Attorney Candidate Ryan Hansch introduced himself.
2. MNSPECT Quarterly Report given by Scott Qualle
 - a. Couple of residential permits and a few projects happening, but it has been quiet.
 - b. Number of permits are down but revenues remain stable.
3. MPCA Review given by PeopleService Greg Stang and Lee Ortloff and John Rhodeberg from SEH.
 - a. Compliance inspection completed on July 21, 2022.
 - b. Weed and maintenance issues were discussed, some of which have been dealt with.
 - c. Many of the issues with the ponds would be corrected in phase 4 of the infrastructure project, but that is 6-8 years out at least so the city needs to look at how to correct issues now with other funding sources because we are operating at around 97% of capacity.
 - d. SEH had originally talked about handling the I&I in their Preliminary Engineering Report and they will prepare the information requested by the MPCA for a fee of not to exceed \$3000 since they wanted more detailed information than what was provided in the evaluation plan submitted by PeopleService. This needs to be submitted in the next couple of weeks.
 - e. I&I project on is on-hold until state and federal funding is available. \$15 million was supposed to be available through state bonds but the legislature is not moving forward with that at this time. Currently there is no federal money available, and none is expected until at least January. February is likely the soonest Rural Development would move forward with the project.
 - f. Small Community Resilience grant – SEH is working on submitting this to obtain funds to help with the wastewater plant I&I planning. There is also additional MPCA funding that should be available in the next couple of weeks.
 - g. Develop a checklist to ensure that the maintenance and reporting on the ponds is being done as required by the MPCA.

Motion by Adams-Bruins second by Jacobs to approve SEH to prepare the MPCA Compliance report at a cost of not to exceed \$3000. Vote for: Unanimous. Motion carried.

4. Alexis Winfrey from the Silver Lake Royalty Committee asked to store the parade float in the public works shed. The property where it is currently stored has been sold and they have been unable to find another location. They need a place big enough to fit a float 7'9" wide, 20'7" long, and 6 feet tall. Would like a permanent location but will take whatever is available.

- a. The committee will explore a couple of other locations and come back for the October meeting with the results.

Department Business

1. Public Works Liaison Report

- a. Sanitary sewer jetting of 5,000 feet on the NW side of town is complete. Normal debris, no excess sand or soap build-up.
- b. MLS men's restroom AC is under repair, filter and trap issues.
- c. Auditorium walk-in cooler evaporator replacement to be complete this week by AEM Mechanical.
- d. Public Works cleaned the auditorium ice machine and changed the water line, so it is working now.
- e. Horizon Pool is scheduled to replace the fractured pipe at the pool and conduct an air test. There was 28 feet of broken pipe due to a sag in the line which caused water to remain in the line which froze and broke. A local contractor will complete the cement replacement. A local electrician will do grounding.
- f. Request for Action: Approve Borka snow removal for the upcoming season. This is a change from \$75 last year.

Motion by Adams-Bruins second by Penaz to approve the bid from Borka Excavating for 2022/2023 snow removal at \$100/hour/truck. Vote for: Unanimous. Motion carried.

- g. Letter being sent to all contractors performing snow removal on private and commercial properties in the City of Silver Lake not to dispose of snow on roads, city lots or city property.
- h. William Mueller is scheduled to patch sewer, water and storm repair areas on Cleveland St, Main St, and Lake Street.
- i. City shop insulation by M&M is set prior to 10/15/2022. Received a quote from M&M for either blown in insulation at \$853 or spray foam at \$3455 at city hall. These prices do not include the two access openings that need to be installed at the office to do insulation. The city hall roof needs repair, so possible to insulate at the same time as the roof repair is done.
- j. Fall sweeping to begin, equipment prep, trim trees along the boulevard that strike snow removal equipment will be trimmed back.
- k. Discussed the restrooms at the pool being found with the door open and lights on.
- l. Buildings and pool will be winterized.
 - i. Pictures provided of cracks in City of Hutchinson pool coping which is seven years old.
 - ii. Discussion regarding sealing the cracks at the Silver Lake pool.
- m. KLM was sent an emailed letter on August 16th regarding the painting of the water tower. They responded that the information would be forwarded to their team. No other communication has been received from them.

2. Public Safety Liaison Report

a. Fire Department Report

- i. Critical Incident Debriefing team from Southwest Emergency Medical Services came to talk to fire and ambulance department members that were involved in the double fatality on Hwy 7.
- ii. September 17th Fire Dept and Ambulance members attended a mock school bus accident sponsored by GSL and agencies serving our school district. Four hours of classroom and four hours of hand-on training.
- iii. On October 10th Fire Dept and Ambulance members will be doing a mock accident scene drill.
- iv. Request for Action to hire the following individuals as probationary fire fighters. After testing, agility test, background check and drug screening, may present to council for permanent hire.

1. Trevor Erickson

Motion by Penaz second by Adams-Bruins to approve the probationary hire of Trevor Erickson. Vote for: Unanimous. Motion carried

2. Cody Schmidt

Motion by Penaz second by Adams-Bruins to approve the probationary hire of Cody Schmidt. Vote for: Unanimous. Motion carried.

3. Chief Kosek will be attending the MN Fire Chief's Association Conference in Duluth October 19-22.

b. Sheriff's Report

- i. Event type report
- ii. Police Hours for June
- iii. 2023 Contract Approval.
 1. Resolution 22-24: Resolution Approving McLeod County Sheriff's Office Contract for Police Services.

Motion by Penaz second by Winfrey to accept Resolution 22-24 approving the Sheriff's Department 50-hour per week contract for 2023. Vote for: Unanimous. Motion carried.

c. Ambulance Report

- i. Mock crash with the Fire Department taking place in October.
- ii. Ambulance personnel attended The Blue Mass honoring EMS, Fire & Military on September 10th.
- iii. Driving Course has been completed with ambulance personnel.
- iv. All PM shifts have been getting filled. One 12-hour AM shift per week has been getting filled by Allina due to no staff available.
- v. Silver Lake Ambulance attended training with Glencoe Fire Department in Glencoe on School Bus emergency Saturday, September 17th.
- vi. New EMT recruit: previously a paramedic. Currently working with the State of MN EMS Board to review options for re-licensure.
- vii. Run Report:
 1. No Transport: 3
 2. Transports: 11
 3. ALS Intercept: 2
- viii. Resolution 22-20: Resolution Authorizing Transfer from General Operating Ambulance Fund to Ambulance Unit Fund.
 1. Transfer of \$85,000 from Ambulance General Operating Fund #204 checking to Ambulance Unit Fund #408 12-month CD.

Motion by Penaz second by Winfrey to approve Resolution 22-20 approving the transfer of \$85,000 from Ambulance General Operating Fund #204 checking to Ambulance Unit Fund #408 12-month CD. Vote for: Unanimous. Motion carried.

3. Municipal Liquor Liaison Report

- a. Off-sale is in the process of being reorganized. Wine & Spirits are done, and the beer cooler will be started this week.
- b. Working on correcting inconsistent pricing of Off Sale items and getting them in-line with the current market and area competition.
- c. Working on an updated food menu and hope to release them by mid-October.
- d. Emergency Services fundraiser was cancelled due to not enough time to organize the event.
- e. Food trucks continue to be popular on Wednesday nights. The last truck will be on October 12th.
- f. Financials reviewed
 - i. August has a \$10,421.75 deficit due to trying to get product back in stock that were not being ordered but people were requesting, increased stock prices, equipment repairs, and Pola-Czesky Days purchasing.
 - ii. On sale inventory should be done monthly when reports are prepared.
 - iii. Off sale inventory should be a cycling project where one category is counted each week.
 - iv. Request for Action: Request to approve the hiring of Rebecca Helberg as a part-time bartender at the rate of \$13.33 per hour pending background check and drug screening.

Motion by Winfrey second by Jacobs approve the hiring of Rebecca Helberg as a part-time bartender at the rate of \$13.33 per hour pending background check and drug screening. Vote for: Unanimous. Motion carried.

- v. Request for Action: Request to review and approve annual employee evaluation for Justina Ferrell. Recommend retaining with wage increase to Grade 11 Step 2 @ \$14.79/hour.

Motion by Winfrey second by Jacobs approve the annual employee evaluation for Justina Ferrell and to retain her with a wage increase to Grade 11 Step 2 @\$14.79 per hour. Vote for: Unanimous. Motion carried.

- vi. Request for Action: Request to review and approve 6-month employee evaluation for Sarah Hlavka. Recommend retaining with wage increase to Grade 11 Step 1 \$14.06/hour. Sarah's review was due May 1, 2022, so she will receive retro pay back to pay period 11.

Motion by Winfrey second by Jacobs approve the 6-month employee evaluation of Sarah Hlavka and to retain her with a wage increase to Grade 11 Step 1 @\$14.06 per hour. Sarah will receive retro pay back to pay period 11. Vote for: Unanimous. Motion carried.

- vii. Discussion regarding running the Municipal Liquor Store through the city office rather than hiring a store manager.
 1. Need more time to get the MLS in order before deciding what the best route is to take regarding running through city hall or placing an ad to hire a manager.

4. Community Development

a. Commissioner's Report

- i. Main Street – new business – Kyle Bishop
 1. Owner of Tranquility in Minds, a THC and MN Legal edibles business renting space at 317 Main St W.
 2. Planning Commission found no issues with the opening of the store as long as they are operating under the state laws and county regulations. The county does not have any restrictions on place currently beyond the state laws.
- ii. LED sign update – Jim Nowak
 1. CAD drawings have been provided to the engineer. The only change was to make the footings of the sign larger.
 2. Paperwork for permits and variance request still to be completed.
 3. Still hopeful that the sign will be ready to put up in the spring of 2023.

5. Administration

a. Clerk's Report

- i. Treasurer's report
 1. A transfer was made of \$752,977.87 from General Fund checking to Money Market savings. Transfers from savings to individual department CD's happened in September.
 2. Total cash balance increased by \$38,000 from last month and \$504,000 from September last year.
- ii. Resolution 22-21: Resolution Approving Election Canvassing Date
 1. MN Statute requires the city to canvass election returns and declare the results between the third and tenth days after an election, but it cannot take place prior to the McLeod County Canvassing Board meeting which will take place on November 14th at 10am. The City of Silver Lake has set their Canvassing Board meeting for Monday, November 14th, at 6:30pm.

Motion by Winfrey second by Jacobs to accept Resolution 22-21 approving the Election Canvassing Date of November 14th, at 6:30pm in the Auditorium. Vote for: Unanimous. Motion carried.

- iii. Request for Action: Request to close City Hall on Friday, November 25th, the day after Thanksgiving. Staff will use vacation for time off.

Motion by Jacobs second by Adams-Bruins to approve closing City Hall of Friday, November 25th, the day after Thanksgiving. Vote for: Unanimous. Motion carried.

- iv. Proposed Fee Schedule for 2023
 1. Increase water and sewer base charge by .50 to \$15.00.
 2. Increase water and sewer usage rates by .50.
 - a. Water \$9.50/1000 gallons
 - b. Sewer \$11.50/1000 gallons
 - i. This would produce an additional \$20,600 for the infrastructure project.
 - ii. This would bring the city closer to the Rural Development guideline.
 - c. Storm water increase from \$6.00 to \$7.00
 3. Increase police services for special events from \$60/hour to \$72/hour to match the city's cost.
 4. Pool increases
 - a. Family seasons pass (up to 5 individuals) \$150 to \$160
 - b. Additional family member (up to 10 individuals) \$30 to \$35
 - c. Individual seasons pass \$70 to \$75

- d. Group swimming lessons \$50
 - i. Combining Toddler & Preschool (\$35) and Ages 5 and up (\$45)
- e. Semi-private swimming lessons \$65 to \$75
- f. Pool rental \$120 to \$150
- g. Party package \$170 to \$200
- h. Additional lifeguard \$17 to \$20

5. Parks & Rec

- a. Summer Rec \$65 to \$75
- b. K-2 baseball \$35 to \$45
- c. Upper-level baseball \$120 to \$130
- d. Football \$15 to \$25

Motion by Penaz second by Jacobs to adopt the proposed changes to the fee schedule for 2023, taking effect January 1, 2023, except for Park & Rec fees which will remain the same. Vote for: Unanimous. Motion carried.

v. Capital Improvement Plan

1. Projects for 2023

a. City Hall

- i. No projects currently scheduled for 2023. The two projects scheduled for 2024 are city hall remodel for \$50,000 and park playground equipment for \$50,000. Both projects would qualify for use of ARPA funding.
- ii. Add the project of adding an emergency exit to the city office in the amount of \$20,000.

b. Public Works

- i. John Deere tractor replacement \$3300
- ii. Shop Improvements \$5000
 - 1. Electrical upgrade
 - 2. Garage door opener
- iii. Streets
 - 1. Sealcoating \$50,000
 - 2. Sidewalk program \$1500
- iv. Utilities
 - 1. I&I program & repairs \$19,000
 - 2. Sewer repairs \$15,000
 - 3. Water meter equipment & software \$3200
 - 4. Sewer jetting schedule \$14,000

c. Fire Department \$7500

- i. Electrical Service upgrade
- ii. High pressure cascade compressor

d. Ambulance

- i. No projects scheduled for 2023

e. MLS

- i. Update bathrooms \$15,000
- ii. Office computer \$2000
- iii. POS computers \$3000
- iv. Upright freezer \$3000

vi. Proposed wage scale

- 1. Current wage scale is not in line with current market. To bring Silver Lake's wage scale into line with the current market, it would require different step increase percentages by pay grade. This determines the wage at the time of hire and the annual step increase.
 - a. Part-time employees, grades 10-12, 3% increase.
 - b. Full-time staff, grades 13 & 14 (Lead Bartender, Maintenance worker, Deputy Clerk), 12% increase.
 - c. Full-time staff, grade 15, vacant, 9% increase.
 - d. Full-time staff, grade 16, vacant, 5% increase.
 - e. Full-time staff, grades 17 & 18, (Public Works Supervisor, City Clerk, MLS Manager), 3% increase.

8:45 pm. Mayor Bebo called for a brief recess.

- vii. Budget Review
 - 1. Proposed Mayor & Council wages increased \$500 per year.
 - a. Current pay is in-line with surrounding towns. A \$500 increase would put them at the top of the scale.
 - b. Council has decided not to change Mayor or Council pay at this time.
 - 2. Total wage increases of 11% to be split between wage scale and COLA.
 - 3. Health Insurance increase calculated at 10%, information not received yet.
 - 4. Snow and Ice decreased due to new tires being budgeted for 2022 and less outside hauling needing to be done due to the push box.
 - 5. Swimming pool increases in operating supplies and chemicals.
 - 6. Ambulance
 - a. Service charges calculated at an average of \$800 collected per run (billed \$1300) at 170 runs per year. This is total runs, should be billable runs around 140.
 - b. Mileage charges calculated at 170 runs with an average of 7 miles/run @ \$23/mile.
 - c. Uncollectible Debt calculated at \$500 (\$1300 run charge - \$800 average collected) * 170 runs.
 - d. Capital Other Equipment increased to save for new equipment needed.
 - 7. Fire Department
 - a. No significant changes
 - 8. Water Fund (607)
 - a. No major repairs scheduled for 2023
 - 9. Sewer Fund (608)
 - a. 2022 budgeted for the Cleveland Lift Station
 - 10. MLS
 - a. Bathroom update, Office & POS computers, upright freezer
- viii. 2023 Preliminary Budget
 - 1. Budget as shown would result in 10.17% Total Levy increase
 - a. 10.57% General Fund Levy
 - b. 1.05% Bond Levy
 - 2. Tax Capacity
 - a. 2022 - \$588,092
 - i. Property Tax Rate – 96.83%
 - b. 2023 - \$673,294
 - i. Prelim Budget Property Tax Rate - 93.18%
 - 1. 3.77% decrease in Property Tax Rate
 - 3. Preliminary Levy Certification
 - a. 01 General Fund \$603,131
 - b. 05 2013A Bond Fund \$ 24,232
 - c. Total Levy \$627,363
- ix. Resolution 22-23: Resolution Adopting 2023 Preliminary City Budget and Preliminary Tax Levy for Taxes Collectible in 2023.

Motion by Jacobs second by Penaz to approve Resolution 22-23 Adopting the 2023 Preliminary City Budget and Preliminary Tax Levy for Taxes Collectible in 2023 at 10.17%. Vote for: Unanimous. Motion carried.

- x. Resolution 22-22: Resolution Approving Truth in Taxation Hearing

Motion by Winfrey second by Jacobs to approve Resolution 22-22 approving the Truth in Taxation Hearing to be held on December 19, 2022, at 6:00pm. Vote for: Unanimous. Motion carried.

- xi. Annual review for Diane Pedersen, City Clerk
 - 1. Recommend retaining with wage increase to Grade 17 Step 7 \$25.55/hour effective September 1, 2022.

Motion by Adams-Bruins second by Jacobs approve retaining Diane Pedersen, City Clerk, with a wage increase to Grade 17 Step 7 @\$25.55 per hour. Vote for: Unanimous. Motion carried.

Old Business: - none

Open Discussion

1. Camper parked at Public Works during Pola-Czesky Days was Jerrod Weckman, who stayed in town over the weekend to be available to help as needed.
2. Discussion held regarding the size of the council packet.
3. Discussion held regarding the city providing storage space for other organizations.

Adjourn

Motion by Winfrey second by Adams-Bruins to adjourn the meeting at 9:40pm. Vote for: Unanimous. Motion carried

Diane E. Pedersen, City Clerk/Treasurer

Seal of the City