

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

Members Present: Mayor Bruce Bebo, Councilor Joanna Jacobs, Councilor Roxanne Yurek, Councilor Ted Gehring, Councilor Josh Mason

Members Absent: None

Staff Present: Clerk Diane Pedersen, Chris Penaz, Jarrett Whitney

Others Present: Sam Fink, Carly Mathews

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

Consent Agenda:

1. Approve minutes from October 6, 2025, Quarterly Meeting
2. Approve Payroll #21 and September Ambulance
3. Approved Payment Application #6 in the amount of \$588,481.05 (1/2 Of \$1,176,962.10)
4. Approve RD-440-11 Disbursement Request #6 in the amount of \$185,005.78
5. Approve Claims

Motion by Councilor Gehring second by Councilor Mason to approve the consent agenda. Vote for: Unanimous. Motion carried.

Public Comment – None

Department Business

1. Public Works
 - a. SEH
 - i. R&R Payments During Government Shutdown
 1. Application for Payment (AFP) #6 is presented in the consent agenda (not reviewed by RD due to government shutdown).
 2. R&R acceptable to 50% partial payment for AFP No. 6 by October 24
 - a. Total due to R&R by Oct 24 is \$588,481.05
 - b. Paid through city's cash reserves
 3. R&R expecting remaining balance of AFP #6 and full payment of AFP #7 on November 21
 - a. AFP #7 expected to be on the order of \$500k, so the total will be around \$1.1M
 4. With Rural Development being closed (unable to process payments), interim financing through MRWA may be needed to make payment by November 21 (see attached application).
 - a. A motion is needed from council tonight to have Diane submit an application to begin the process.

Motion by Councilor Yurek second by Councilor Mason to allow the city clerk to submit an application to begin the process of preparing for interim financing through MRWA. Vote for: Unanimous. Motion carried.

- b. A special meeting on or prior to November 7 is needed to authorize a sales resolution to have funds available by November 21. Meeting was set for November 6 at 6:30pm.
- c. Cost of issuance will be \$23,600, and interest would be ~\$4,000 per month (RD eligible)

- i. Grant Eligible: 69% = ~\$19,000
 - ii. Storm Loan: 18% = ~\$5,000
 - iii. City Cost: 13% = ~\$3,600
- d. If the government opens back up (RD is back to work) on or before November 7, interim financing won't be needed, and there will be no additional costs incurred.
- ii. Well No. 1 Discussion
 - 1. Well No. 1 Existing conditions
 - a. Constructed in 1964 (61 years old). Typical life expectancy of a well is 50 years.
 - b. People Service and Public Works report the well pumping sand when used
 - i. Indication of failures with the casing allowing sand to infiltrate
 - ii. No chemical feeds
 - iii. No screen (removed while cleaning with a brush)
 - c. Original Scope
 - i. Rehabilitate the well and piping to extend its serviceable life until funding was available for a water treatment plant. It was an affordable improvement option to allow the well to continue to be utilized at its usual capacity (used during hydrant flushing, fire events, etc.)
 - d. Well No. 1 Options
 - i. Option 2 – Well vac existing well to redeploy the screen
 - 1. Pros:
 - a. Utilize existing infrastructure to save cost
 - b. Faster timeline (able to be completed within a month)
 - 2. Cons:
 - a. Change of being unsuccessful
 - b. Approximate cost of \$115,000. Updated price is based on Traut's site visit. Price includes ~\$10K of work already provided.
 - c. No improvements to existing conditions of the well.
 - ii. Option 3 – Drill a new well, plumb to existing wellhouse, and abandon the old well which was built in 1974 and is 51 years old. A new pump was put in in 1991.
 - 1. Pros:
 - a. Abandon well that is past its life expectancy
 - b. New well to become the city's primary well for long-term success.
 - c. Provides flexibility for the city to alternate between both wells.
 - d. Very little change of installation being unsuccessful.
 - e. Opportunities for price deductions for items omitted from original scope. This would be around \$30-\$40K in savings.

2. Cons:

- a. Approximate cost of \$235,000. Pricing to be confirmed upon issuance of change order. Includes \$15K for SEH to design, and ~\$10K for work already provided by McCarthy Well.
- b. Slower Timeline (will take months to complete due to design, MDH approval, additional work, and procurement).

e. Recommendation:

- i. Proceed with drilling a new well and add permanent chemical feeds to Well No. 1
- ii. Proceed with the design of TH7 and Lane Sanitary work but omit the TH7 and Lane Sanitary work proposed in Change Order #2 to save on grant-eligible funds. This work can be completed at a later date.

Motion by Councilor Jacobs second by Councilor Mason to continue with the design of the sanitary work proposed adjacent to TH7 and Lane Ave but hold construction proposed in Change Order #2 until a later date. Vote for: Unanimous. Motion carried.

Motion by Councilor Gehring second by Councilor Mason to approve change order #4 option 3 proceeding with drilling a new well and adding permanent chemical feeds to Well No. 1. Vote for: Unanimous. Motion carried.

- iii. Tentative timeline (to be confirmed by R&R, McCarthy, and well contractor).
 - 1. October – SEH to prepare Change Order 4 for RD to review and approve
 - 2. November – Council considers Change Order 4 for approval (Nov 6 at 6:30 pm)
 - 3. December – SEH to design proposed well modifications. Obtain RD and MDH approval.
 - 4. January – Conduct proposed modifications to the well
 - 5. February – Install chemical feeds and complete process piping
 - 6. March – Well is operational

2. Other Items

- a. Braun Intertec proposal attached for consideration
 - i. For conducting borings on Main Street for Change Order 2.
 - ii. Lump sum cost \$5,825. McLeod County will reimburse their share.

Motion by Councilor Gehring second by Councilor Yurek to approve the Braun Intertec proposal for additional soil borings and addendum letter Silver Lake Street and Utility Improvements for an amount not to exceed \$5825. Vote for: Unanimous. Motion carried.

- b. DNR Grant Application Assistance Update. LMC to provide up to \$10,000 reimbursement for grant writing. Sam does not feel he will go over the \$5000 added to the SEH agreement. The DNR grant is due by October 27.
- c. Resident, Organization, and/or Business Considerations/Concerns
- d. OneDrive link for SEH Daily logs from September 7, 2025, through October 10, 2025, sent to council.

- b. Public Works Liaison Report
 - i. Pool is winterized,

- ii. Sand filter replacement started. All looks good.
 - iii. Most snow equipment is ready for service.
 - iv. Roof Maintenance continues as per roof inspections.
 - v. Ground maintenance at the pond site is about done for the season.
 - vi. Some spring ground maintenance planning has been started.
 - vii. Working on the ornamental attachment agreement with Xcel Energy.
 - c. People Service – Jeremy Anderson
 - i. Reviewed monthly reports.
- 2. Public Safety Liaison Reports
 - a. Fire Department
 - i. Reviewed calls.
 - ii. Officer elections will be held on October 22nd. Request for Action will be presented in November.
 - iii. Chief Kosek remains in contact with SEH regarding the timeline of the well repair.
 - iv. Fire Dept is advertising for two members.
 - v. The department will be sponsoring a Halloween party for kids at the fire hall on Halloween, starting around 5:00pm. Thank you to Larry & Joni Cacka for door prizes, extinguishers, smoke alarms/CO detectors, and T-shirts.
 - vi. AED put in service. Purchased through Silver Lake Lion's donation.
 - vii. Multi-Unit housing inspections letters have been mailed. Working on completing the inspections.
 - viii. Congratulations to Brandon Mathews, position of Captain on the McLeod County Grain Rescue Team. He is also a Captain on the SLFD.
 - ix. Ambulance and Fire have done a great job handling the recent accidents.
 - b. Sheriff
 - i. Reviewed event totals and police hours reports.
 - c. Ambulance
 - i. Staffing was reviewed.
 - ii. Calls were reviewed.
 - iii. Request for Action to hire Anna Madson-Monsrud pending successful completion of background check and drug screening. She is currently enrolled in Ridgewater College finishing up her EMT certification.

Motion by Councilor Jacobs second by Councilor Yurek to approve the hire of Anna Madson-Monsrud pending successful completion of background check and drug screening. Vote for: Unanimous. Motion carried.

- 3. Municipal Liquor Store/Auditorium
 - a. Business recap
 - b. Staffing recap
 - c. Operations recap
 - i. May change Monday/Tuesday hours to open around 4pm
 - d. Auditorium recap
 - e. Facilities recap
 - f. Requests for Action
 - i. Approve six-month review for Addie Plath.

Motion by Councilor Gehring second by Councilor Mason to approve the six-month review of Addie Plath with an increase from Grade 11 Step 0 \$14.42 to Grade 11 Step 2 \$16.01 effective PP#16 7/21/25. Vote for: Unanimous. Motion carried.

Motion by Councilor Gehring second by Councilor Yurek to approve the annual review of Rebecca Helberg with an increase from Grade 13 Step 7 \$21.63 to Grade 13 Step 9 \$22.72 effective PP#23 10/27/25. Vote for: Unanimous. Motion carried.

- g. Reviewed financials.
 - i. September MTD (\$1,749.46) compared to (\$7,654.77) last year.
 - ii. YTD (\$13,071.32) compared to \$41,742.61 last year.

b. Discussed Proposed 2026 Budget

4. Community Development

- a. The Planning Commission did not meet in October.

5. Administration

a. Clerk's Report

i. September and October MTD Treasurer's Reports

1. September's General Fund checking account balance \$441,780.81. Total checking account balance \$1,785,895.31.
2. October's MTD General Fund checking account balance \$411,439.84. Total checking account balance \$954,043.75.

ii. Reviewed the preliminary budget.

1. Changes

- a. Decreased Community Development Building Inspection Fees from \$12,000 to \$10,000
- b. Decreased Municipal Building Capital Building Expense from \$25,000 to \$15,000
- c. Decreased Pool Expenses by \$6,000
- d. Put Auditorium Capital Funds Transfer back to \$7,000 from \$12,000
- e. Decreased Parks by \$3,500
- f. Current Tax Levy % is 5.89%. The goal % is under 5%

2. Consider next year's fee schedule

- a. Removing Accident Response charge from Ambulance
- b. Increasing ALS to \$1500
- c. Discussed swimming pool rates

3. Wage Scale Review

- a. Resolution 25-23: Resolution Creating a Compensation Plan for Non-Elected Employees for 2026.
 - i. Proposed COLA of 2.50%

Motion by Councilor Jacobs second by Councilor Yurek to approve Resolution 25-23 Creating a Compensation Plan for Non-Elected Employees for 2026 with a 2.50% COLA over 2025. Vote for: Unanimous. Motion carried.

b. Resolution 25-25 Approving Health Insurance for Full-Time Non-Elected Employees

- i. BCBS BlueAccess HSA Silver \$5900 Plan 640.
- ii. \$100 deductible increase
- iii. City HSA Contribution \$1500 Single and \$2500 Family

Motion by Councilor Yurek second by Councilor Jacobs to approve Resolution 25-25 Approving Health Insurance for Full-time Non-Elected Employees. Vote for: Unanimous. Motion carried.

c. Resolution 25-27 Resolution for Payment of Paid Family Medical Leave Premiums and Use of Paid Time Off to Supplement Program.

- i. 2026 Premium is .88%. 50/50 split between City and employees.
- ii. If the city contributes more than .44%, the difference becomes taxable income to the employee.

Motion by Councilor Jacobs second by Councilor Gehring to approve Resolution 25-27 for Payment of Paid Family Medical Leave Premiums and Use of Paid Time Off to Supplement Program. Vote for: Unanimous. Motion carried.

New Business

1. Hiring Committee recommends hiring Carly Mathews for the Deputy Clerk position at Grade 14 Step 2 (\$21.05/hour). Effective October 23, 2025, pending successful completion of background check and drug screening.

Motion by Councilor Yurek second by Councilor Jacobs to approve hiring Carly Mathews for the Deputy Clerk position at Level 14 Step 2 \$21.05/hour effective October 23, 2025, pending successful completion of a background check and drug screen. Vote for: Unanimous. Motion carried.

2. Request for Action to Approve the Liquor License Application for the American Legion Post 141.
Motion by Councilor Yurek second by Councilor Jacobs to approve the liquor license application for 2026. Vote for: Unanimous. Motion carried.

3. Reviewed McLeod County notice of Public Hearing

Old Business

1. Resolution 25-26 Resolution to Authorize the Transfer of PID 19.050.0010 and 19.050.0040
Motion by Councilor Gehring second by Councilor Mason to approve Resolution 25-26 Authorizing the Transfer of PID 19.005.0010 and 19.050.0040 to Stix and Brix for the amount of \$23,300. Vote for: Unanimous. Motion carried.

Open Discussion

1. City Grants Update
2. Wage scale discussion

Motion by Councilor Jacobs second by Councilor Yurek to adjourn the meeting Vote for: Unanimous. Motion carried.

Meeting adjourned at 9:28 pm.

Diane E. Pedersen, Clerk/Treasurer

Seal of the City: