

Minutes
Silver Lake City Council
Regular Meeting
6:30pm, January 20, 2026
Silver Lake Auditorium

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

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

Members Absent: None

Staff Present: Diane Pedersen, Jarrett Whitney, Dale Kosek

Others Present: Sam Fink

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

Consent Agenda:

1. Approve minutes from January 5, 2026, Annual Meeting
2. Approve Payroll 26 & 1 and December Ambulance
3. Approve Payment Application #9
4. Approve Disbursement #9
5. Approve Claims

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

Public Comment – None

Department Business

1. Public Works
 - a. SEH – Infrastructure Project Bid Review
 - i. Feasibility Report for Change Order 2
 1. Reviewed report dated January 20, 2026.
 - a. This is an amendment to the existing Feasibility Report for the existing project to incorporate all the scope on Change Order #2 so as part of the Chapter 429 process the city can assess for the improvements.
 - b. Sanitary Collection
 - i. Replace pipes with PVC
 - c. Water Distribution
 - i. Main Street water main is four inches, upsizing to eight inches.
 - d. Storm Sewer
 - i. Storm drainage system and catch basins are currently undersized, so they will be replaced.
 - e. Streets, Driveways, Alleys, and Sidewalks
 - i. Reconstruction on Main Street will take place in the City Right-Of-Way.
 - f. Right-of-Way
 - i. There are only a couple of easements needed as most work will occur in the city right-of-way.

- g. Required Permits and Approvals
 - i. MN Dept of Health (MDH), MN Dept of Transportation (MnDOT), MN Pollution Control Agency (MPCA), McLeod County, and USDA-RD will need to sign off the work being completed.
- h. Estimated Cost
 - i. Estimated construction cost for Change Order #2 is \$1,741,601, up from the October 2025 estimate of \$1,690,000. This is partly due to incorporating a water main along highway 7 to service water and sanitary services.
- i. Proposed Project Financing
 - i. McLeod County \$304,000 for their share of the work being completed on Main Street.
 - ii. RUS Grant of \$747,000 for water.
 - iii. City of Silver Lake \$42,000 for sidewalk work being completed on Main Street/County Road 92.
 - iv. USDA Community Facility Loan \$114,000 for storm sewer.
 - v. Minnesota PFA Grant \$1,117,000 for sanitary sewer.
 - vi. Total Estimated Project Funding \$2,324,000.
 - vii. Total estimated assessment for the change order is approximately \$282,620.
- j. Proposed Project Schedule
 - i. Notice of Public Hearing to be mailed to homeowners and placed in paper on February 6 & 13.
 - ii. Public Hearing on Improvement will be held February 17, 2026, during the regular city council meeting.
 - iii. SEH to present final plans and specifications to the city council at their regular meeting on March 16, 2026.
 - iv. Construction can begin spring 2026 with substantial completion in the fall of 2026 and final completion in summer 2027.

2. Public Hearing Resolution

- a. Resolution 26-07 for receiving the report and calling public hearing.
- b. Public hearing is set for the next regular city council meeting on Tuesday, February 17, 2026, at the Silver Lake Auditorium, at 6:30pm.
- c. SEH will assist the city with giving mailed and published notifications for the public hearing.

Motion by Councilor Gehring second by Councilor Mason to approve Resolution 26-07 Receiving the Report and Calling for a Public Hearing. Vote for: Unanimous. Motion carried.

3. Open House

- a. SEH recommends that an Open House be held with residents adjacent to Change Order 2 prior to the public hearing.
 - b. Discussed assessments and scope.
 - c. Mailer invitations will be sent to residents.
 - d. Date set for Wednesday, February 4th at Noon and 6pm.
- ii. Grant=Eligibility Review (TH 7 Scope Discussion)
 - 1. TH 7 Scope of work
 - a. During design, it was determined that water main should also be constructed along TH 7 to allow for direct water service connections for properties east of Lane Avenue (along with extending the sanitary sewer main for the same reason).

- b. SEH proposed two options for the sanitary and water main extensions on TH 7:
 - i. Option 1: Extend both sanitary and water mains to the east side of 714 TH 7.
 - 1. This option was included in the feasibility report.
 - ii. Option 2: Extend both sanitary and water mains to the west side of 714 TH 7.
 - 1. This option saves approximately \$80k of grant-eligible funds.
 - iii. Discussed grant-eligible review with updated cost estimates for Change Order 2 and the two options for TH 7. It was noted that there is \$16,545,000 in funding available for water/wastewater items.
 - c. Change Order 4 Status Update (Well No 1)
 - i. Easement was received, and siren pole was moved.
 - ii. Plans and specifications were sent to MDH for review on January 6th.
 - iii. MDH conducted a site visit on January 13th.
 - iv. Traut is hoping to mobilize to the site the first or second week of February.
 - d. Other Items
 - i. Application for Payment #9 was included in the consent agenda.
 - ii. SEH to resume sending OneDrive links for SEH Daily logs once construction resumes this spring.
 - b. Public Works Liaison Report
 - i. Working on sewer locates and cameraing for the infrastructure project.
 - ii. Reviewing sewer cameraing footage from completed streets. There are some questionable upstream issues:
 - iii. Christmas decorations have been taken down. Still waiting for electrical bids.
 - iv. Snow plowing, clean-up and bush back of piles.
 - v. Doing some maintenance items at the auditorium and MLS, i.e. faucets and urinals-flushers.
 - vi. Emergency siren pole relocation for the well progression has been completed.
 - vii. Discussion regarding bulk water purchases. Rate discussion will be addressed at the February council meeting. Based on the fire chief's recommendation, the council's recommendation is that bulk water sales do not take place while the city only has one operating well.
 - viii. Working on seal coating plan for 2027 or 2028.
 - c. Reviewed PeopleService reports.
2. Public Safety
- a. Fire Department
 - i. Fire calls reviewed.
 - ii. Review of ISO scoring by Chief Kosek.
 - 1. Went from a rating of 7 to 5 for the city, rural remained at a rating of 7.
 - iii. One inquiry on new membership but no applications have been received.
 - iv. Meat raffle fundraisers at the Legion are going well.
 - v. Next fundraiser will be the Lion's meat raffle during Ice Golf.
 - vi. The emergency well plan from SEH has been posed in the fire hall.
 - vii. Chief 1 is working with Safe Assure on possible grant funding on the fire hall door opener updates recommended during MOCK OSHA inspection.
 - b. Sheriff's Report
 - i. Reviewed Event Totals Report
 - ii. Reviewed Police Hours
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- c. Ambulance
 - iii. Annual Med Variance and Blood Borne Pathogens Trainings to be completed in February.
 - iv. Staffing reviewed
 - v. Calls reviewed
- 2. Municipal Liquor Store/Auditorium
 - a. Business Review
 - i. P&L does not tell the full story due to inventory discrepancies/corrections made during pre-counts as well as part of the actual physical inventory. There were many counts that have been incorrect due to incorrectly entering information in years past and making those corrections is affecting the bottom line.
 - b. Staffing Review
 - i. New staff are working well.
 - c. Operations Review
 - i. Physical inventory was counted and posted on 12/31/2025. Audit was completed on 12/31/2025 with no major issues/concerns.
 - ii. The new machine for the kitchen has been received and was installed this past weekend.
 - iii. Requests below for two new bar coolers and a kitchen refrigerator.
 - iv. New exhaust fans and motion sensors have been installed in restrooms.
 - v. Walk-in cooler needed some additional work in early January, and a new quote is coming for the compressor that will need to be replaced.
 - vi. Pricing in review with plan to update by 2/1/2026. Both ON and OFF Sale areas will have a small price increase, and all subsequent labels will need to be reprinted again.
 - d. Auditorium Review
 - i. More civic events than rented events at the auditorium in December.
 - ii. Wrestling event on January 3rd was successful with between 200-250 attendees. Thank you to all the volunteers.
 - e. Facilities Review
 - i. Public Works helped move in the new kitchen oven and will help with new fridges as they come.
 - ii. New light fixture will be needed for the back hallway as the bulbs melted and cannot be replaced.
 - f. Action Items
 - i. Requesting approval of TWO (2) back bar coolers for the muni bar. These will replace the various current coolers with more efficient and NEW coolers that also allow workspace on top.
 - 1. Units Prices: 2 @ \$3,285.83
 - 2. Rail Guides: 8 @ \$70.10=\$560.80
 - 3. 4" Caster Wheels: 2 sets @ \$45.06 = \$90.12
 - 4. Curb Delivery: \$0 (included when delivering with back bar cooler)
 - 5. Total \$7,222.58

Motion by Councilor Yurek second by Councilor Jacobs to approve the purchase of two new back bar coolers for a cost not to exceed \$7,222.58. Vote for: Unanimous. Motion carried.

- ii. Requesting approval to purchase ONE (1) Under Counter 2-door refrigerator for the kitchen. This will allow the removal of the older upright fridge and create more floor/workspace in the kitchen with a new, more efficient unit.
 - 1. Unit Price: \$4,258.09
 - 2. Curb Delivery: \$99.00
 - 3. Total: \$4,357.09

Motion by Councilor Yurek second by Councilor Mason to approve the purchase of a under counter refrigerator at a cost not to exceed \$4,357.09. Vote for: Unanimous. Motion carried.

- iii. Review new project in early stages of planning
 - 1. Move Off-Sale to a location on Hwy 7.

- g. Financials were reviewed
 - i. MTD (\$10,955.37)
 - ii. YTD (\$29,235.91)
 - 1. Inventory counts corrected from past years causing large corrections to inventory amounts.
 - h. Muni Jam in the planning stages.
 - i. 4-5 musicians/bands
 - ii. Food trucks
 - i. Pools & Parks has scheduled Ice Golf for February 21.
3. Community Development
- a. Discussed pedestrian crossing on Highway 7.
 - b. Discussed Wellness Policy for city employees
4. Administration
- a. Clerk's Report
 - i. December Treasurer's Report
 - ii. End-of-year reports and tax filings are being completed. Employee W-2's have been mailed.
 - iii. Working on auditor's list. They are scheduled to be here February 23-25.
 - iv. Request for Action – Request to purchase a cell phone for the city office.
 - 1. To be used when second form of approval is required for accessing sites.

Motion by Councilor Yurek second by Councilor Jacobs to approve the purchase of a cell phone for the city office. Vote for: Unanimous. Motion carried.

- v. City website training is scheduled for Friday, January 23, 2026.

Old Business - None

New Business - None

Open Discussion

- 1. Councilor Gehring reviewed his proposal for a 0% increase in property tax for next year.

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

Meeting adjourned at 9:25 pm.

Diane E. Pedersen, Clerk/Treasurer

Seal of the City: