

Minutes
Silver Lake City Council
Regular Meeting
6:30pm, April 15, 2024
Silver Lake Auditorium

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

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

Members Absent: None

Staff Present: Diane Pedersen, Dale Kosek, Wyatt Konen, Ashley Mason, Cory Behrendt

Others Present: Shannon Sweeney, Sam Fink, Gary Kosek, Jon Ramige

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

Consent Agenda:

1. Approve minutes from April 1, 2024, Local Board of Appeals and Equalization
2. Approve minutes from April 1, 2024, Quarter.
3. Approve Payroll 7 and 8, March Ambulance and Quarterly 1
4. Approve Claims

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

Public Comment – None

New Business

1. Infrastructure Project Update
 - a. Shannon Sweeney –
 - i. project funding update.
 1. \$7,291,000 in grant funding from USDA and PFA
 2. 12,585,000 USDA loan
 3. 2,817,000 Community Facilities loan that will cover road costs.
 4. 1,086,000 city cash contribution
 - a. Total project #23,779,000
 - ii. Tax impact for street costs (street costs are funded by property tax levies and special assessments)
 1. Special Assessments projected to be \$2,290,480 would product \$176,083 in annual revenue for 20 years and will be used to offset two project expenses:
 - a. ½ to pay for street costs to reduce payments on Community Facilities Loan which has to be paid from tax levy.
 - b. ½ to pay reduce payments on the storm sewer portion of the project.
 - i. Storm sewer fee will need to be greatly increased due to the project.
 1. Storm sewer loan payments will be \$183,445 per year.
 2. In 2022 the city collected \$39,346 in storm sewer fees. The projected fee needed will be \$22.71/month per household.
 2. Special assessment revenue is important to manage debt paid from tax levy and debt paid from storm sewer.
 3. Projected fees needed for Water are \$57.66 and Sanitary Sewer \$52.46. The total fees are currently about \$95.67 per month and will need to be \$132.83, which is about a 40% increase.
 4. If this project were started now, it would cost twice as much.

5. The State and Federal Government do not provide grants for storm sewers. The recommendation is that any state appropriation funds (bonding bill) received be applied to USDA-CF loan funded costs of street and storm sewer as these costs are not grant eligible.
- iii. Special Assessment Deferrals were discussed.
 1. Not required but can be provided for those who may have a hardship making payments.
 2. Deferrals do accumulate annual interest throughout the deferral period. It is proposed 4.50% for 20 years as that is the term of the Community Facilities Loan.
 3. The city would adopt an ordinance or resolution establishing standards and guidelines for determining the existence of a hardship, disability, or exceptional and unusual circumstance. They would also establish an application process.
 4. Assessment hearing should happen in September, allowing 60 days for deferrals to be requested prior to declaring the assessment roll to the county in November.
- iv. Short-lived asset reserve for both water and sewer enterprise funds. Annually the city will be generating surplus cash in the amount of \$8881 for water and \$5713 for sewer.
- v. Prepaid special assessments could be put towards the loans to reduce the loan amount being financed.
- vi. Temporary financing will be needed when construction begins. The city will need temporary financing to cover the \$12,585,000 USDA WEP loan as well as the \$2,817,000 USDA CF Loan. Grant funds will be accessible throughout the project.
- vii. Temporary financing will be obtained once bids have been received.
- viii. It is in the best interest of the city to keep the cost of the project at \$23,779,000. If it is reduced, the city will lose grant money, not reduce the loans. If state appropriation funds are received, the city should ask for a confirmation from USDA in writing that using those funds will not decrease the grant funds being received for the project, they could just reduce the amount of loan at closing.
- ix. The council will decide if assessments should start in 2027 or 2028.
- b. Sam Fink
 - i. Submitted MPCA stormwater grant opportunity request for \$2.5M to help fund USDA loans for stormwater. Should have a response by the middle of July.
 - ii. Met with MNDOT regarding trail crossing over highway 7. The city was awarded \$400,000, but due to the timing required in the award, the application was withdrawn.
 - iii. MPCA Wastewater Pond Grant discussed.
 - iv. Timeline:
 1. Open House #3 scheduled for Thursday, June 13, 2024, 12-1pm & 6-7pm.
 2. Submit 100% plans to USDA-RD in early September.
 3. Advertise for bids in mid-November.
 4. Bid project before December 2024.

Department Business

1. Public Safety

a. Fire Department

i. Liaison report

1. Reviewed runs
2. Silver Lake firefighters attended a live house burn sponsored by the Lester Prairie fire department.
3. SCBA's have been ordered, Chief 3 requesting approval of a ship date.

Motion by Councilor Jacobs second by Councilor Mason to approve the ship date of April 16, 2024, for SCBA's. Vote for: Unanimous. Motion carried.

4. Chief 3 requesting placement of a compressor fill station order.

Motion by Councilor Jacobs second by Councilor Adams-Bruins to approve placing the order for the compressor fill station. Vote for: Unanimous. Motion carried.

5. Grain Bin public relations seminar had about 90 attendees.
6. Township meetings were held – contracts approved; finance of SCBA's approved.
7. National Night Out fire truck ride request.

Motion by Councilor Jacobs second by Councilor Adams-Bruins to approve the request allowing the fire department to provide fire truck rides in the antique fire truck to city residents for National Night Out. Vote for: Unanimous. Motion carried.

8. Donate old turnout & SCBA parts to Dingis Fire who will distribute it to third world countries.

Motion by Councilor Jacobs second by Councilor Adams-Bruins to approve the donation of turnouts & SCBA's to Dingis Fire. Vote for: Unanimous. Motion carried.

- b. Sheriff's Report
 - i. Reviewed Event Totals report
 - ii. Reviewed Police Hours
- b. Ambulance
 - i. The meeting was held on April 11th.
 - ii. Staffing reviewed.
 - iii. Recertification Class happened March 23rd & 24th.
 - iv. Ambulance repairs are completed. The rig was picked up on April 11th. Estimate of \$3500.
 - v. The ambulance staff is currently reviewing the by-laws to possibly change stand-by hours from yearly to monthly.
 - vi. Ambulance staff were invited to partake in the Grain Bin Rescue training with the Fire Department on April 10th.
 - vii. Calls reviewed.
 - viii. Hale township has agreed to donate more than requested but they want those funds to be earmarked for a new rig. These funds would be put into an equipment CD.

2. Municipal Liquor Store/Auditorium

- a. Trivia has been off to a slow start.
- b. Repaired outdated seat covers for all damaged bar stools.
- c. Request for Action for MLS Manager Konen to attend the 2024 MMBA conference April 20-22, at a cost of \$759.00.
 - i. Wyatt is to report back to the council next month.

Motion by Councilor Adams-Bruins second by Councilor Penaz to approve Wyatt Konen attending the MMBA conference April 20-22 at a cost of \$759. Vote for: Unanimous. Motion carried.

- d. Double Dee's on April 5th had a good crowd.
- e. The last meat raffle of the season was April 6th with a lot of customers supporting.
- f. Food Trucks at the Muni every Wednesday 4-8pm.
- g. Working on getting quotes to replace the AC unit.
- h. Request for Action for approval of the Lead Bartender, Rebecca Helberg's six-month review and step increase.

Motion by Councilor Adams-Bruins second by Councilor Mason to retain Rebecca Helberg as Lead Bartender with a two-step increase to Level 13 Step 6 at a rate of \$20.59 effective 4/15/2024. Vote for: Unanimous. Motion carried.

- i. Request for Action to accept the resignation of Jordyn Manderscheid effective immediately.

Motion by Councilor Adams-Bruins second by Councilor Penaz to accept the resignation of Bartender Jordyn Manderscheid effective immediately. Vote for: Unanimous. Motion carried.

- j. Request for Action to approve the fire department Car and Bike show on May 18th.

Motion by Councilor Adams-Bruins second by Councilor Penaz to approve the request for the FD Car & Bike show to be held on May 18th. Vote for: Unanimous. Motion carried.

- k. Request to approve the hiring of Forcier/Marty's Roofing to repair the MLS roof. There is a one-year warranty on material, will be provided in writing, and he is available the middle of May to begin work.

Motion by Councilor Penaz second by Councilor Adams-Bruins to approve the hiring of Forcier/Marty's Roofing to repair the MLS roof at a cost not to exceed \$10,450 after verifying warranty & materials to be used. Vote for: Unanimous. Motion carried.

- I. Reviewed financials.
 - i. MTD net income \$7,970.30
 - ii. YTD net income \$17,416.41

3. Community Development

- a. Planning Commission did not meet.
- b. K-2 Baseball update from Gary Kosek
 - i. Numbers are low, not sure there will be enough to have a team this summer.
- c. Request for summer rec to use the pool 5-6 times during the summer.

Motion by Councilor Mason second by Councilor Jacobs to approve the use of the city pool by the Park & Rec program 5-6 times during the summer. Vote for: Unanimous. Motion carried.

- d. Request for Action to accept the resignation of Cora Kuras, Pool Manager. She is willing to help get the new pool manager going.

Motion by Councilor Mason second by Councilor Adams-Bruins to accept the resignation of Pool Manager Cora Kuras. Vote for: Unanimous. Motion carried.

- e. Request for the City to pay the full \$200 for Water Safety Instruction (WSI) and require all lifeguards to obtain this for helping with swimming lessons. The lifeguards must commit to work at the pool for the full season.

Motion by Councilor Mason second by Councilor Adams-Bruins to approve the city paying the cost of \$200 for lifeguards to become certified Water Safety Instructors (WSI). Vote for: Unanimous. Motion carried.

4. Administration

- a. Clerk's Report
 - i. March Treasurer's Report was reviewed.
 - ii. Clarke Environmental Mosquito Contract is in year three of a three-year contract. The Cost for 2024 will not exceed a 3% increase of the 2023 cost of \$4,758.60(\$4,901.36).
 - iii. AARP reporting is due April 30th and has been completed. Funds in the amount of \$88,955.75 were used for pool repairs.
 - iv. Request for action to approve Clerk Pedersen to attend the MN Municipal Clerk's Institute (MMCI) Year 3 in St. Cloud May 6-10.

Motion by Councilor Jacobs second by Councilor Mason to approve the request for Clerk Pedersen to attend the MMCI Year 3 May 6-10 at a cost not to exceed \$792.16. Vote for: Unanimous. Motion carried.

- v. The hiring committee for the Pool Manager position will be Councilor Jacobs, Clerk Pedersen, and Deputy Clerk Kurth.

5. Public Works Liaison Report

- a. Liaison Report
 - i. The pool heater will be installed on 4/24/2024.
 - ii. PeopleServices scheduled to flush hydrants April 15-17.
 - iii. Discussed SEH private sanitary services requested to be televised.

Motion by Councilor Penaz second by Councilor Adams-Bruins to approve the televising work requested by SEH for the infrastructure project sewer locating. Vote for: Councilor Penaz, Councilor Adams-Bruins, Councilor Jacobs, Councilor Mason. Opposed: Mayor Bebo. Motion carried.

- iv. The City Hall parking lot is scheduled to be paved.
- v. Gathering cost of Well House 2 roof under the water tower. It is currently asphalt, looking at changing it to steel.
- vi. Continue working with SEH on infrastructure requests.
- b. Reviewed PeopleService reports.
- c. Third reading of sanitary sewer ordinance. Amending Ordinance 100: An Ordinance Amending Ch. 15, Section 4, Regarding Regulation and Repair of Inflow and Infiltration (I&I) to include work other than point-of-sale.
 - i. Remove escrow.
 - ii. Add city will repair at owner's cost if not done within the year timeframe.

- d. Request to accept the resignation of Jerrod Weckman, Public Works Maintenance 3, effective Wednesday, April 3, 2024.

Motion by Councilor Penaz second by Councilor Adams-Bruins to accept the resignation of Jerrod Weckman effective April 3, 2024. Vote for: Unanimous. Motion carried.

- e. Request to follow the recommendation of the hiring committee to hire Chris Penaz as Public Works Supervisor at Grade 17 Step 4 at a rate of \$25.04 effective May 6, 2024, pending successful completion of a background check and drug test.

Motion by Councilor Mason second by Councilor Adams-Bruins to approve the hire of Chris Penaz as Public Works Supervisor at Grade 17 Step 4 at a rate of \$25.04 effective April 22, 2024, upon successful completion of a background check and drug test. Vote for: Unanimous. Motion carried.

- f. Motion to create a council vacancy due to the resignation of Chris Penaz from the City Council to accept the position of Public Works Supervisor.

Motion by Councilor Mason second by Councilor Jacobs to create a council vacancy to fill out the term effective immediately due to Chris Penaz accepting the position of Public Works Supervisor. Vote for: Unanimous. Motion carried.

- g. Request to follow the recommendation of the hiring committee to hire Jon Ramige as Public Works Maintenance 3 at Grade 14 Step 4 at a rate of \$21.57 effective Monday, May 6, 2024, upon successful completion of a background check and drug test.

Motion by Councilor Mason second by Councilor Adams-Bruins to approve the hire of Jon Ramige as Public Works Maintenance 3 at Grade 14 Step 4 at a rate of \$21.57 effective Monday, May 13, 2024, upon successful completion of a background check and drug test. Vote for: Unanimous. Motion carried.

Old Business - None

Open Discussion

1. Grain Bin presentation was a success.

Motion by Councilor Mason second by Councilor Adams-Bruins to adjourn the meeting Vote for: Unanimous. Motion carried.

Meeting adjourned at 8:58 pm.

Diane E. Pedersen, Clerk/Treasurer

Seal of the City: