

Pursuant to due call and notice thereof, a City Council Meeting was duly held in the City Council chambers at 7:00 p.m. on the 10th day of December 2019. The following members were present: Mayor Doug Henke, Council Members, Dan Rehtzigel, Tom Gard, and John Mortensen. Also, present: Attorney Scott Riggs, Administrator Mark Vahlsing, Administrative Assistant Holli Gudknecht, Police Chief Lee Sjolander, Engineer Joe Rhein, Engineer Derek Olinger, Library Director Michelle Otte

CITIZEN COMMENT

None

ADOPT AGENDA

Motion by Rehtzigel second by Mortensen to approve the agenda. Motion carried 4-0-0.

CONSENT AGENDA

Motion by Mortensen seconded by Rehtzigel to approve the Consent Agenda, which includes payment of check numbers, 70395 through 70462; 3377E through 3400E; and additional checks 70464 through 70477. Motion carried 4-0-0.

PRESENTATIONS/PUBLIC HEARINGS

ENGINEERING

2nd Street Sanitary Sewer Improvements

Engineer Rhein stated that RAW Construction completed the 2nd Street Sanitary Sewer project last month with the installation of the pavement markings. Engineer Olinger reported that the mercury concentrations on 2nd Street have dropped substantially. Additional testing will be done in December at the wastewater plant to determine mercury levels there.

Pay Request #4

Engineer Rhein stated that RAW is requesting payment of \$400.95 for pay request #4.

Motion by Rehtzigel second by Gard to approve pay request #4 to RAW Construction for \$400.95. Motion carried 4-0-0.

Red Wing Avenue Update

Engineer Rhein stated that the final design proposal is approximately 50% complete. On November 21, a design meeting was held with public works, KMU, and some private utility companies. No major changes were identified at this meeting. Minnesota Energy and Frontier Communications will be relocating and replacing some of their lines in conjunction with the City's project. A utility design meeting will be held with property owners in January. The final plan will be ready for approval in February, go out for bids in March, and begin construction in late May.

EDA/Business Park Development

Engineer Olinger reported that the platting documents for the proposed business park are almost complete and will be sent to the planning commission in January. The Council decided to name the subdivision "Kenyon Business Park" and the north-south street "Engel Drive".

LEGAL

Kenyon Bar & Grill - On Premises Charitable Gambling License Application -Merrick Inc

Administrator Vahlsing stated that Alex Rivero was seeking approval for Merrick Inc to operate charitable gambling at the Kenyon Bar and Grill. John Wayne Barker, executive Director of Merrick, Inc., summarized the purpose of the nonprofit organization, Merrick Inc. Wendy Bush, the gambling manager for Merrick Inc., was in attendance to answer questions. Barker and Bush indicated that a portion of the net proceeds would be donated to non-profit organizations in Kenyon.

Motion by Rehtzigel second by Mortensen to approve the on-premise charitable gambling license

application for the Kenyon Bar and Grill with 10% of the net proceeds be donated back to the City of Kenyon. Said funds will be placed in the City donation fund. Motion carried 3-1-0.

OLD BUSINESS

Resolution 2019-36: A Resolution Adopting the 2020 Budget and Establishing the Tax Levy for Payable 2020

Administrator Vahlsing noted that the final budget summary was included in the packet. No comments were received at the Truth in Taxation meeting on December 3. The final budget shows a maximum proposed levy increase of 6.5% for 2020. The final levy and budget must be approved by the Council and submitted to the County before the end of December.

Motion by Henke second by Mortensen to adopt Resolution 2019-36 adopting the 2020 budget and establishing the tax levy for payable 2020. Motion carried 4-0-0.

NEW BUSINESS

Library Paint and Carpet Replacement Update –

Library Director Michelle Otte updated the Council on the library renovations. A portion of the library materials have been temporarily moved into a storage unit behind City Hall. The library will be closed on Wednesday, December 11 to move the remaining materials to the Council Chambers. The library will reopen on December 12 in the Council Chambers. Painting of the library will be completed on December 12th and 13th. Carpet installation will begin the next week. The plan is to move back into the library the first week of January.

Resolution 2019-37: A Resolution Committing Capital Fund Balances

Administrator Vahlsing stated that the general accounting standard (GASB 54) requires all public entities to set year end Capital fund balances. This action is required before the end of the current year contingent on audited final numbers. Therefore, the resolution included in the meeting packet needs to be adopted by the Council. The final year-end capital fund amounts will not be known until the 2019 audit is completed. Motion by Rehtzigel seconded by Mortensen to approve Resolution 2019-37 committing capital fund balances. Motion carried 4-0-0.

Approve Transfer of Fire Department Year End Remaining Funds to Capital Fund

Administrator Vahlsing stated that council approval is needed to move the year end Fire Department budget balance to the capital fund. The actual transfer amount will be determined by Clifton, Larson the auditors as part of the 2019 audit. The estimated amount of funds that will be approximately \$17,000.

Motion by Mortensen seconded by Henke to approve the transfer of fire department year end remaining funds to capital funds. Motion carried 4-0-0.

Approve Transfer of Street Maintenance Year End Remaining Funds to Capital Fund

Administrator Vahlsing stated that council approval is needed to move the year end Street Maintenance Department budget balance to the capital fund. The actual transfer amount will be determined by Clifton, Larson the auditors as part of the 2019 audit. The estimated amount of funds that will be approximately \$35,000.

Motion by Rehtzigel seconded by Henke to approve the transfer of street maintenance department year end remaining funds to capital funds. Motion carried 4-0-0.

2020 Tobacco License Renewals

1. Kenyon Market
2. River Country Co-Op (Speedway)
3. Kenyon Municipal Liquor Store

Motion by Rehtzigel seconded by Gard to approve to approve the 2020 tobacco license renewals. Motion carried 4-0-0.

One Side Only Parking on North Street

Administrator Vahlsing stated that Chief Sjolander was requesting that parking be restricted to the north side of North Street between Oak Street and Red Wing Avenue. Due to the narrowness of the street, issues have occurred due to parking on both sides of the street. This item was tabled until the January meeting, so home owners on the street could be notified.

Approve Job Description and Authorize Hiring – Part-time Administrative Assistant

Administrator Vahlsing stated that Chief Sjolander was requesting approval to advertise for the part-time Administrative Assistant position. This position was discussed last year and included in the 2020 budget. It is anticipated that this position would be about 25 hours a week.

Motion by Rehtzigel second by Gard to approve the part-time administrative assistant job description and authorize hiring for the position. Motion carried 4-0-0.

Holiday Office Closings

Vahlsing requested approval for City Offices/Library to close on Tuesday, December 24 at noon and the Library to close on Tuesday, December 31 at 4:30 pm.

Motion by Gard seconded by Rehtzigel to close the City Office and Library on Tuesday, December 24 at noon and close the library on Tuesday, December 31 at 4:30 pm. Motion carried 4-0-0.

OTHER BUSINESS

Schedule of Upcoming Meetings

KMU Meeting: Wednesday, December 18th @ 6:00 p.m.

City Council Meeting: Tuesday, January 14^h @ 7 p.m.

COUNCIL AND STAFF GENERAL COMMENTS

Attorney Riggs and Engineer Rhein wished everyone happy holidays and happy new year.

Administrator Vahlsing thanked the Color Guard and everyone involved in the tree lighting ceremony on Saturday.

Councilman Gard noted that there was a nice variety of events at Christmas in Kenyon on Saturday.

Councilman Rehtzigel also reiterated that Saturday's events were great and thanked KABA for their efforts.

Councilman Mortensen urged all snowmobile riders to obey City ordinance, stay on snowmobile paths, and stay out of homeowner's yards.

Mayor Henke stated that the concert at First Lutheran Church on Saturday was very nice. He also hoped councilman Nielsen would be back with us soon.

Motion by Mortensen second by Gard to adjourn the meeting at 8:04 p.m. Motion Carried 4-0-0.

Holli Gudknecht, Administrative Assistant

Douglas Henke, Mayor