

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 13th day of August 2019. The following members were present: Acting Mayor Richard Nielsen, Council Members, Dan Rechtzigel, Doug Henke, and John Mortensen. Also, present: Attorney Scott Riggs, Engineer Joe Rhein, Administrative Assistant Holli Gudknecht, Police Chief Lee Sjolander, Public Works Director Wayne Ehrich

APPOINT MAYOR AND/OR COUNCIL MEMBER

Appoint person to vacant Mayor seat.

Motion by Nielsen second by Mortensen to approve Resolution 2019-27 appointing Doug Henke to serve as Mayor until the next election. Motion carried 4-0-0.

Resolution 2019-26 Declaring vacant City Council seat

This resolution declared the open council seat of Doug Henke who was appointed to Mayor. Motion by Mortensen second by Nielsen to approve Resolution 2019-26 declaring vacant City Council seat. Motion carried 4-0-0.

Appoint person to vacant City Council seat.

Administrator Vahlsing stated that two people have indicated interest in serving on the Council. The interested parties will meet informally with the council prior to the budget meeting on September 4 at 4:30 and 4:45 respectfully.

CITIZEN COMMENTS

Jayne and Erick McLean, who live at 133 Gates Avenue, stated their concerns about burning the City compost pile. The pile burns for many days and the smoke goes right through their house. They also stated that non-compost items are being burnt including green-treated lumber. Councilman Rechtzigel agreed that it would be a good idea to talk about a potential plan for the compost area. This will be addressed at the September Council meeting.

ADOPT AGENDA

Motion by Nielsen second by Rechtzigel to approve the agenda. Motion carried 4-0-0.

CONSENT AGENDA

Motion by Nielsen seconded by Rechtzigel to approve the Consent Agenda, which includes payment of check numbers, 69931 through 70035; 3296E through 3317E; and additional checks 70060 through 70083. Motion carried 4-0-0.

PRESENTATIONS/PUBLIC HEARINGS

Jennifer Nelson from Southern Minnesota Initiative Foundation updated the Council on recent activities of the Initiative Foundation. The Foundation aids economic development, early childhood, and community vitality. Early childhood shortages have recently risen to the top of the programs in need.

ENGINEERING

Wastewater NPDES/SDS Permit Renewal

City Engineer Rhein stated that MPCA requires all Cities to carry an NPDES permit to operate their wastewater plants. The permit is renewed on a 5-year cycle with the City's permit expiring on February 29, 2020. The MPCA is requiring the City of Kenyon to provide more information on phosphorus and mercury minimization as part of the 2020 permit renewal. The City Engineering firm has submitted a proposal outlining how they will address these requirements as part of the permit renewal. The total fee to prepare the renewal documentation is \$11,000. Additional coordination may be required after the

application due date of September 2, 2019 resulting in cost of up to \$3,000. The cost of the permit renewal of \$1,240 was included in the 2019 budget.

Motion by Rehtzigel second by Mortensen to authorize Bolton & Menk to proceed with preparing the renewal documentation for a fixed fee of \$11,000 along with authorizing any additional coordination needed with fees not to exceed \$3,000. Motion carried 4-0-0.

2nd Street Sanitary Sewer Improvements

Change Order #2

Engineer Rhein stated that the public meeting on the 2nd Street improvements was held on July 15. A preconstruction meeting was held on July 9 with RAW Construction. RAW Construction stated that they would not be able to start the project until late August. With the later start date, it is anticipated that the contractor would likely not meet the contract *substantial* completion date of August 30. The contractor does believe that they can still meet the *final* completion date of September 13. Change Order #2 adjusting the contract substantial completion date to accommodate the schedule change needs to be approved by the Council.

Motion by Nielsen second by Mortensen to approve Change Order #2 with RAW Construction.

Motion carried 4-0-0.

Red Wing Avenue

Engineer Rhein stated that the feasibility report has been finalized using the feedback received during the previous Council work sessions. In order to move forward with the project, the Council must approve the feasibility report, set an improvement hearing date, and set a date for a public information meeting.

Resolution 2019-25 Accepting the Feasibility report and Setting a Public Hearing on the Red Wing Avenue improvement project.

Motion by Nielsen second by Mortensen to approve Resolution 2019-25 and set the public hearing for September 10, 2019 at 7:00 pm. Motion carried 4-0-0.

Set date for public information meeting.

Vahlsing stated that this meeting is intended to provide an informal setting for affected property owners to learn about the project and will also allow more time for discussion.

Motion by Nielsen second by Mortensen to call for the public information meeting to be held on September 5, 2019 from 5-7 pm at City Hall.

LEGAL

Sale of 411 Bullis St

Attorney Riggs stated that the Purchase agreement for 411 Bullis Street has been executed. A closing date is scheduled for August 28, 2019.

Cities Authorized to Set Certain Lower Speed Limits – Update on New law

Vahlsing stated that the 2019 Minnesota Legislature has authorized Cities the ability to set speed limits on certain city streets without a MN Dot traffic study. This is for information only and no changes will be made at this time.

OLD BUSINESS

Update on BDPI Grant – Business Park Project

Administrator Vahlsing reviewed the letter received from MN Employment and Economic Development approving the City's grant in the amount of \$672,096. DEED is finalizing the grant agreement and related documents. The City is working with CEDA on the next steps in the process. A special EDA meeting will be scheduled in early September to continue the business park development.

Update on Police Building Layout – Chief Sjolander

Police Chief Sjolander presented a diagram of a possible layout for the police department in the former ambulance building. The preliminary estimate for the project is \$75,000. Part of this money was budgeted for in 2019 and additional money will be in the 2020 budget. The improvements may be completed in phases if needed.

NEW BUSINESS

Resolution 2019-24 Part-time Police Officers - Revise PERA Contribution Formula

Chief Sjolander requested Council approval of a resolution to change the Part-time police officers from the PERA Coordinated Fund to the PERA Police and Fire Fund. All full-time officers are enrolled in the Police and Fire Fund. While the part-time officers are currently enrolled in the Coordinated fund. All Minnesota public employees, except full-time police and fire, are enrolled in the Coordinated Fund. In this fund the City contributes 7.65% toward Medicare/Social security and 7.5% to PERA. With the Coordinated fund 1.45% is contributed toward Medicare and 18.4% toward PERA. Moving the part-time police officers to the Police and Fire Fund would increase the overall City contribution by 3.25%. Based on 2018 Part-time police wages the overall annual increase from the Coordinated PERA fund to the Police and Fire fund would be \$641. This increase would come out of the PD Salaries-Regular portion of the City budget. Changing this plan may help attract and retain part-time police officers.

Motion by Rehtzigel second by Henke to approve Resolution 2019-24 revising the PERA contribution formula for part-time police officers. Motion carried 4-0-0.

Appoint Firm to Conduct Historic Structures Study – Gunderson House

Administrator Vahlsing stated that the two finalists to conduct the historic structures study, LHB Inc. and Wold Architects & Engineers, had reviewed their proposals at the earlier Council work session. Wold Architects & Engineers quoted \$15,000 and LHB Inc. quoted \$22,500. The City would pay half of the fee out of capital funds with the other half being covered by a grant that was received.

Motion by Mortensen second by Nielsen to accept the quote from Wold Architects & Engineers to conduct the historic structure study. Motion carried 4-0-0.

Appoint firm for 2020 City and KMU, and Liquor Store Audit

Vahlsing stated that the Council must appoint a firm to complete the City, KMU, and Liquor Store audits in 2019. Clifton Larson has completed the audits since 2016. The overall cost for the 2018 audit was \$20,225.

The proposed quote for the 2019 audit would be \$20,950. Vahlsing recommended continuing with Clifton Larson.

Motion by Nielsen second by Rehtzigel to appoint Clifton Larson to complete the 2019 audits. Motion carried 4-0-0.

Kenyon Area Historical Society – Oktoberfest Event– September 14, 2019

Kevin Anderson, representing the Kenyon Area Historical Society, requested approval to hold an Oktoberfest event at the Gunderson House on Saturday September 14, 2019 from 1:00 pm – 5:00 pm. KAHS is working with the Muni to coordinate the event.

Motion by Mortensen second by Nielsen to approve the KAHS Oktoberfest Event on September 14, 2019. Motion carried 4-0-0.

Set dates for Council Work session to review 2020 budget.

Administrator Vahlsing stated that a Council work session needed to be scheduled soon to review the 2020 budget. The preliminary levy must be adopted at the September Council meeting, so the budget numbers are needed before this meeting.

Motion by Mortensen second by Henke to set a Council work session for Wednesday, September 4 at 5:00

p.m. Motion carried 4-0-0.

KW School District - Community Ed Use of Fire Hall September 9, 2019

Administrator Vahlsing stated that the School District would like Council approval to use the Fire Hall building for a Community Ed ECFE community fair with vehicles. This event is scheduled for September 9 from 5:30 to 7:00 pm. The Police and Fire Departments will also be assisting with this event.

Motion by Rechtzigel second by Mortensen to approve KW Community Ed's use of the Fire Hall on September 9, 2019. Motion carried 4-0-0.

OTHER BUSINESS

Schedule of Upcoming Meetings

KMU Meeting: Wednesday, Aug. 21st @ 6:00 p.m.

City Council Meeting: Tuesday, September 10th @ 7 p.m.

COUNCIL AND STAFF GENERAL COMMENTS

Councilman Rechtzigel thanked Henke for accepting the Mayor position.

Councilman Mortensen was happy that two new members joined the Park & Rec committee last night.

Mayor Henke noted that he accepted the Mayor position because he feels that it is important, but will need everyone's help.

Councilman Nielsen welcomed Henke as the new Mayor.

Administrator Vahlsing congratulated Mayor Henke. He was glad he stepped up and accepted the position.

Engineer Rhein sent congrats to Mayor Henke and wished the Council good luck on filling the council position.

Attorney Riggs also sent congrats to Mayor Henke.

Motion by Mortensen second by Rechtzigel to adjourn the meeting at 8:32 p.m.

Holli Gudknecht, Administrative Assistant

Douglas Henke, Mayor