

Hector City Council
7:00 p.m. Monday, July 9, 2018
Hector Community Center

MINUTES

Meeting called to order at 7:00 p.m. by Mayor Janis Weikle, followed by Pledge of Allegiance. Members present: Jeff Heerd, Doug Best, Penny Kandt and Amy Hollan. Also present: City Administrator Andrea Aukrust.

Agenda additions: Amy Hollan regarding mosquito spraying for Corn Chaff Days; Removal of Ambulance North/Allina from Unfinished Business; Removal of Outstanding Citizen for 2018 under New Business; Ordinance, Resolution & Proclamation - 2018-24 instead of 2018-15. On motion by CM Best, seconded by CM Hollan and unanimously carried to approve agenda with changes.

Consent Agenda: Questions from Mayor Weikle on payables included payment to Visions Systems and Consulting was \$557.00 to clean and reset former CM Bergsma surface pro for CM Hollan. Quote previously provided was \$80/hour at approx 2-3 hours. Why the difference? Kathy Blackwell stated the reason as "Multiple problems" for the additional cost. On the Hubin Publishing ad for airport project, was set up by Bollig and is a reimbursable expense under the project. The minutes of June 19, 2018 is not part of the consent agenda. On motion by CM Heerd, seconded by CM Hollan and unanimously carried, to approve the consent agenda of payables and additions.

Mayor Weikle typed the minutes of June 19, 2018 as Clerk Blackwell was unable to complete them before the meeting. Mayor Weikle asked for clarification on the minute's portion of Squibb and the tile problem. CM Heerd felt an easement is not necessary to repair/fix what is already in place. On motion by CM Best, seconded by CM Kandt and unanimously approved the minutes of June 19, 2018 as presented.

Mayor Weikle requested attendees to review the guidelines provided for resident's requesting to address the council.

George Eilertson of Northland Securities presented information on bonds issued in 2004 and refinanced in 2011 to construct Prairie View and provide information on how they are to be paid off. Action Item: Resolution Authorizing Defeasement of the Bonds. This is a city council and EDA bond issue & therefore need both entities to act on paying off the bonds. Same resolution will be presented to the EDA July 19th 2018 authorizing the payoff of the bonds and authorizing Northland Securities to purchase government securities. To do the payoff, Northland is obligated to buy government securities (US Treasuries, Municipal Bonds). The analysis provides the approximate calculation for the payoff to include the net sales proceeds (Prairie View) as well as city cash funds to satisfy the city portion. July 23rd will be to purchase securities and the closing (official payoff) is to occur likely the first week of August 2018.

December of 2019 is the call date to prepay or refinance the bonds. This action allows us to pay off the bonds before the call date. **Action Item:** The city council resolution portion will be presented at the August council meeting.

Next, Brad Falteysek from AEM presented the 1st Quarter 2018 financial reports. It is time to begin working on the 2019 budget with the preliminary levy due September 30th. Page 3 of the report shows March 31st balances at almost \$2.5M of cash and investments of which \$2M is held in checking & savings and \$400,000 in investments and money market. YTD revenues from water fund compared to 2017, about \$3,000 more and expenditures \$180,000 more than last year. Brad confirmed the "Triple J" funds of \$600,000 are held in the sewer fund #602 (part of \$900,000).

Clifton Allen from Moore Engineering next presented a summary of project updates. No more work is occurring in the field. The balancing change order is not ready yet. He was also unable to get with Rural Development for overall project costs in time for this evening's meeting. There are some minor turf restoration complaints and surfacing issues. The draft copy of the record drawings were presented to the City Administrator for the city to review. Clifton also addressed a couple of non-project items - service leaks on Cedar and 2nd and also 3rd and East Birch. Waiting on price cost. The new project for Sampson 3rd Addition is still in process and will be presented hopefully at August meeting. The project in front of ITC is scheduled for July 23rd. Need something in writing for Mueller & Sons for milling and patching at 3rd street west. Clifton was asked to look at 6th & Cedar, going south.

Steve Squibb on drain improvements. Steve was not present.

Al Kirgiss on tiling project. Joan said waiting on attorneys. Council advised a special meeting may be necessary to approve tiling project once attorneys have details figured out.

Ordinance Resolutions Proclamations

Resolution 2018-22 City of Hector accepts donation received of \$30 from Good Neighbor Garden Club and designates: flowers by City of Hector sign in city park. On motion by CM Kandt, seconded by CM Best and unanimously carried, Resolution 2018-22 is approved.

Resolution 2018-23 City Council approves the sale of the Prairie View facility located at 1010 Elm Avenue East in the City of Hector (Lot 1, Block 1, Sampson 1st Addition) to Renville Health Services Inc. and approves the transfer of real estate. On motion by CM Hollan, seconded by CM Heerdt and unanimously carried, Resolution 2018-23 is approved.

Resolution 2018-24 Official Designation Mayor noted a couple changes. Hector EDA requires two council members on the EDA so Amy Hollan has been added to that committee. Planning Commission now includes CM Amy Hollan, City Administrator Andrea Aukrust and CM Jeff Heerdt. Public Works now includes City Administrator Andrea Aukrust and Mayor Janis Weikle. On motion by CM Best, seconded by CM Hollan and unanimously carried, Resolution 2018-24 is approved.

Resolution 2018-25 City Authorization granting powers regarding certain financial and investment transactions. On motion by CM Kandt, seconded by CM Heerdt and unanimously carried, Resolution 2018-25 is approved.

Monthly Reports

Airport - fence and gate is completed

Ambulance/Fire - busy week with pancake breakfast, bingo, recently went through search and rescue equipment.

EDA - next meeting is Thursday, July 19th at 7:00 a.m. at community center. Mayor Weikle inquired on Hummingbird Court and who is to take care of maintenance. Understanding the city employees should be taking care of outside maintenance. Other services are utilized for interior work. **Action Item:** Need to have Mike to take a look at exterior foundation issue and put together a plan for repairs. **Action Item:** Need to advertise for an EDA member.

Cemetery - next meeting is Thursday, July 26th at 10:00 a.m. at Community Center

Police - Zach is working on getting some squad bids. Visited City of Renville to look at a tahoe they had equipped. If we decide to go with a Ford, possibly accepting bids thru September 2018 for 2019 delivery. Had some cabinets and updates done in police office using budgeted funds. Corn Chaff staffing is set up. Bike rodeo is set up for Thursday by the pool parking lot. It was suggested this information be included on the calendar on the city website. Also look at the city sign and the local channel.

Public Works - Hjerpe was here and did fire suppression rating. We went from a previous 7 to a current 5. Inspection went well. Our local insurance company will be notified and may result in a lower rate.

Library - nothing to report

Administration - Introduced Andrea Aukrust as new City Administrator

New Business

Election judge appointment and rate of pay. Judi Ovitt has withdrawn from the election judge pool and will be replaced with Sandy Hughes. Rate of pay is recommended at \$12.00/hour. On motion by CM Hollan, seconded by CM Kandt and unanimously carried to approve Sandy Hughes replacing Judi Ovitt as election judge and the rate of pay for election judges to be \$12.00/hour. CM Best abstained.

Miscellaneous

Amy Hollan asked about spraying for mosquitoes in the park. Amy provided two bids. Honey-Do from Glencoe offered to spray at \$325.00. On motion by CM Best, seconded by CM Kandt and unanimously carried to approve mosquito spraying of city park by Danny Raduenz of Honey-Do from Glencoe at a cost of \$325.00.

Mayor Weikle asked the council to consider meeting for a work session at 5:30 p.m. prior to the city council meeting in August, to begin work on budget as well as discussing council items, followed by the regular council meeting at 7:00 p.m. and that the city staff would attend the workshop session, but would not be required to attend the council meeting. On motion by CM

Heerdt, seconded by CM Best and unanimously carried, council will hold a workshop beginning at 5:30 p.m. followed by the regular council meeting at 7:00 p.m. on Monday, August 13th at the Hector Community Center. **Action Item:** Notify city staff to attend workshop meeting at 5:30 p.m. on Monday, August 13th at the Hector Community Center to begin work on budget items and other miscellaneous council discussions.

Resident Penny Kandt made a request in regards to property on Cedar Avenue behind her house. Years ago the property was zoned agriculture to accommodate up to 5 horses on the property. The request for a letter to be sent to the property owner, Curt Sampson, to get the property mowed or something to be done with it. City Administrator will send a letter from the city. Tom Koopman mows and bales by wastewater plant and would be a contact as well.

On motion by CM Hollan, seconded by CM Best and unanimously carried, meeting adjourned at 8:14 p.m.

Respectfully submitted by:


Andrea Aukrust, City Administrator