

CITY OF MONTEVIDEO  
CITY COUNCIL PROCEEDINGS  
December 6, 2021

The city council met in regular session Monday, December 6, 2021 in the council chambers at city hall. President Schmidt called the meeting to order at 7:00 P.M. with the Pledge of Allegiance.

Council members present: Nathan Schmidt, Bryce Curtiss, Steve Sulflow, Beverly Olson and Dan Sanborn. Absent: None. Mayor Erich Winter present.

Staff present: City Manager Robert Wolfington, City Engineer Mike Amborn, City Attorney Janice Nelson and City Clerk Glennis Lauritsen.

It was moved by Sanborn, seconded by Sulflow and unanimously passed to approve the agenda, with the following modifications:

**MODIFY: 5A) CONSIDER APPROVAL OF VERIFIED CLAIMS FOR THE PERIOD ENDING DECEMBER 3, 2021 IN THE AMOUNT OF ~~\$849,107.04~~ \$936,548.19.**

LIQUOR

Johnson Brothers Liquor Co. - Inventory	\$ 4,016.11
Locher Brothers, Inc. - Inventory	11,729.05
MN Department of Revenue - Sales Tax	20,313.00
Phillips Wine & Spirits - Inventory	4,646.53

MISCELLANEOUS

Farmer's Union Oil Co. - Gas, etc.	6,796.37
Fusion Cloud Services - Phone Bill	1,634.09

UTILITY

Automatic Systems Co. - SCADA System	38,306.00
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**MODIFY: 7L) CONSIDER RESOLUTION ACCEPTING GIFTS/GRANTS FROM VARIOUS ORGANIZATIONS AND INDIVIDUALS.**

Revised resolution provided.

**ADD:            7N)    CONSIDERATION OF YEAR 2022/2023 MOTOR FUEL QUOTES.**

It was moved by Curtiss, seconded by Olson and unanimously passed to approve the minutes of the Regular Meeting of November 15, 2021, as presented.

4.            Notices/Communications/Announcements or Appearance of Interested Citizens.

By Resolution No. 3753, this date/time was provided as an opportunity for the property owners of 719 North 1<sup>st</sup> Street to appear and be heard in regards to a nuisance abatement matter.

There was no one present to be heard.

5.    Consent Agenda.

It was moved by Sulflow, seconded by Sanborn and unanimously passed to approve the following consent agenda items:

5(A) VERIFIED CLAIMS FOR THE PERIOD ENDING DECEMBER 3, 2021 IN THE (MODIFIED) AMOUNT OF \$936,548.19.

6.    Public Hearings.

- None.

7.    General Business.

7(A) 2022 BUDGET DISCUSSION & PUBLIC COMMENT

At the September 7, 2021 council meeting, public comment and discussion of the 2022 Budget and levy was scheduled for this date. Materials presented and reviewed by Finance Director Tami Schuelke-Sampson included a proposed resolution adopting the 2022 Budget, a General Fund expenditure comparison, a proposed resolution establishing the 2022 tax levy and levy comparison information - 2021 vs. proposed 2022.

There were no members of the public present to address the council on this matter.

No action necessary.

7(B) 2022 BUDGET ADOPTION.

A proposed resolution was presented to adopt the 2022 Budget which showed total revenues for all funds at \$13,216,840 and total expenditures for all funds at \$13,091,225.

BRYCE CURTISS OFFERED RESOLUTION NO. 3755, A RESOLUTION ADOPTING THE BUDGET FOR FISCAL YEAR 2022, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3755 WAS SECONDED BY DAN SANBORN. THOSE VOTING IN FAVOR OF MOTION: BRYCE CURTISS, DAN SANBORN, BEVERLY OLSON, STEVE SULFLOW AND NATHAN SCHMIDT. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(C) 2022 TAX LEVY.

A proposed resolution was presented to establish the 2022 tax levy in the total amount of \$2,665,400. The proposed levy is the same as the preliminary levy approved in September 2021.

STEVE SULFLOW OFFERED RESOLUTION NO. 3756, A RESOLUTION ESTABLISHING THE 2022 LEVY, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3756 WAS SECONDED BY BEVERLY OLSON. THOSE VOTING IN FAVOR OF MOTION: STEVE SULFLOW, BEVERLY OLSON, DAN SANBORN, BRYCE CURTISS AND NATHAN SCHMIDT. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(D) 2021 AMENDED BUDGET.

After review of the expenditure activity for 2021, the year-end budget amendments were proposed in resolution form. The resolution reflects total amendments to the revenues of \$3,836,000 and total amendments to the expenditures of \$11,695,450.

DAN SANBORN OFFERED RESOLUTION NO. 3757, A RESOLUTION ADOPTING THE 2021 AMENDED BUDGET, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3757 WAS SECONDED BY BEVERLY OLSON. THOSE VOTING IN FAVOR OF MOTION: DAN SANBORN, BEVERLY OLSON, STEVE SULFLOW, BRYCE CURTISS AND NATHAN SCHMIDT. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(E) 2022 FEES & CHARGES SCHEDULE.

STEVE SULFLOW OFFERED RESOLUTION NO. 3758, A RESOLUTION ADOPTING THE 2022 FEES & CHARGES SCHEDULE, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3758 WAS SECONDED BY BEVERLY OLSON. THOSE VOTING IN FAVOR OF MOTION: STEVE SULFLOW, BEVERLY OLSON, BRYCE CURTISS, DAN SANBORN AND NATHAN SCHMIDT. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(F) CUP - RODEBERG BEAUTY SALON - 1630 NORTH 5<sup>TH</sup> STREET.

Melissa Rodeberg requested a conditional use permit to allow a beauty salon in a portion of her home located in a R1, Residential District, at 1630 North 5<sup>th</sup> Street. On November 22, 2021, the Montevideo Planning Commission held the required public hearing on this issue and unanimously recommended approval, citing that the nature of the business and its location are appropriate based on the city's ordinance.

It was moved by Sanborn, seconded by Curtiss and unanimously passed to approve the conditional use permit, as recommended by the planning commission.

7(G) NUISANCE ABATEMENT, 719 NORTH 1<sup>ST</sup> STREET.

At the November 15, 2021 council meeting, Resolution No. 3753 was passed which directed the abatement of a nuisance on property owned by Rob & Darla Jepma, 719 North 1<sup>st</sup> Street. The resolution gave the property owners until December 1, 2021 to bring the property into compliance. Staff informed the council that Mr. Jepma had contacted the city and informed staff that the items would be removed by Wednesday, the 8<sup>th</sup>, except for the bricks which he intends to use on a garden area. In order to remain consistent with how other similar nuisance abatements have been handled in the past, staff recommended the council go forward with the resolution provided which would authorize the city to abate the nuisance and assess the costs (plus 25%) as a special assessment against the property. By taking this action, the issue would continue to be monitored and city action taken to abate, if necessary.

DAN SANBORN OFFERED RESOLUTION NO. 3759, A RESOLUTION AUTHORIZING CITY TO ABATE NUISANCE, AND MOVED ITS ADOPTION.

MOTION FOR ADOPTION OF RESOLUTION NO. 3759 WAS SECONDED BY BEVERLY OLSON. THOSE VOTING IN FAVOR OF MOTION: DAN SANBORN, BEVERLY OLSON, STEVE SULFLOW, BRYCE CURTISS AND NATHAN SCHMIDT. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(H) CHANGE ORDER #2 - WATER METER/MOBILE AMR PROJECT.

Utilities Superintendent Byron Hayunga was on hand to explain that the original estimate for the water meter replacement project with Ferguson Waterworks did not take into account all meters needed for commercial, vacant houses and/or “snowbirds.” As a result, additional meters are needed to complete the project. The proposed Change Order adds \$59,000 to the project, for a total revised contract amount of \$855,475. There is a total of \$870,000 set aside in the CIP for the project.

It was moved by Sanborn, seconded by Sulflow and unanimously passed to approve Change Order #2, as presented.

Hayunga also provided an update on the progress of the project, noting that 1,696 meters have been installed, 231 appointments are pending, with 529 unscheduled and 100 non-response customers. Hayunga asked for council’s direction on the next step for those who have not responded. There are enforcement measures in place that would allow the city to shut-off service in these instances (preceded by a “final notice”); however, Hayunga did not feel that this was a good time for that action (weather and the holidays). The council agreed, and asked that an alternative step be taken. Staff will coordinate that effort, when it becomes a more critical/timely issue.

7(I) STORM WATER UTILITY.

At the November 1<sup>st</sup> meeting, the council had directed staff to pursue a proposal for a storm water utility rate study. A proposal in the amount of \$7,500 was submitted by Ehlers, Inc. that considers the needs of the community, including an initial project in the downtown district, along with review of a Capital Improvement Plan provided by the city. Staff explained that by creating a storm water utility, the city would be better able to fund storm water projects without assessing as much directly to the property owner. The study from Ehlers would give the city a tool to best determine how to generate the revenues needed to do scheduled projects.

It was moved by Sulflow, seconded by Curtiss and unanimously passed to approve moving forward with the rate study, as presented.

7(J) TORT LIABILITY WAIVER.

It was explained that the city is protected under state law by tort liability limits. Each year, the League of MN Cities requires the council consider waiving those limits and buying additional insurance. If the city does waive the limits, it opens the door to higher settlement amounts, but it also would more fully cover individuals (in some cases). A waiver would increase the insurance premium by at least 25%. Staff recommended the city NOT waive tort liability limits, as had been done in the past.

It was moved by Curtiss, seconded by Olson and unanimously passed that the city NOT waive the tort liability limits.

7(K) GROAT'S 2AM LICENSE/PERMIT.

It was moved by Sulflow, seconded by Sanborn and unanimously passed to approve the submission of a renewal application to the State of Minnesota for the optional 2:00 A.M. license/permit for Groat's, 309 South 1<sup>st</sup> Street.

7(L) ACCEPTANCE OF GIFTS/GRANTS.

The following gifts/grants have been received by the city:

<u>Name</u>	<u>Description</u>	<u>Amount/Value</u>
American Legion Gambling Acct.	Donations - Shop With a Cop Program	\$ 200.00
Old National Bancorp		200.00
Montevideo Insurance Center, LLC		100.00
Henslin Auctions, Inc.		50.00
American Legion Riders Post 59		250.00
Sue Evans		50.00
Tom's Floor Installing		100.00
Melissa Bulman		100.00
Our Savior's Lutheran Congregation		1,000.00
Gary & Sue Just		25.00
Dale Rasmussen		20.00
Mike & Jeanne Dann		50.00

<u>Name</u>	<u>Description</u>	<u>Amount/Value</u>
Jeffrey & Lori Andreas	Donations - Shop With A Cop Program	\$ 50.00
Craig Knutson Trucking, LLC	(continued)	200.00
Mind Your Business		125.00
Mind Your Fitness, LLC		125.00
William & Nancy Schuller		50.00
Nancy Carlson		30.00
Bonnie Crosby		40.00
Stiklestad Properties		50.00
Don & Lois Ricke		100.00
Paul Blahosky		50.00
Subtotal:		\$ 2,965.00
Federal ARPA Funds	COVID Relief Monies	8,737.54
Marvin Garbe	Donation - (3) VA Home Pictures	60.00
GRAND TOTAL:		\$ 11,762.54

DAN SANBORN OFFERED RESOLUTION NO. 3760, A RESOLUTION ACCEPTING GIFTS/GRANTS, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3760 WAS SECONDED BY BEVERLY OLSON. THOSE VOTING IN FAVOR OF MOTION: DAN SANBORN, BEVERLY OLSON, BRYCE CURTISS, STEVE SULFLOW AND NATHAN SCHMIDT. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(M) SPECIAL MEETING WITH COUNTY.

City Manager Wolfingtin requested the council set a special/joint meeting with the Chippewa County Board of Commissioners to discuss jointly owned facilities, including the airport, library and hospital.

It was moved by Sulflow, seconded by Olson and unanimously passed to set a special meeting for this purpose on Monday, December 13, 2021 at 7:00 P.M. at the Montevideo Public Works Facility Conference Room.

7(N) 2022/2023 MOTOR FUEL QUOTES.

Quotes were solicited for motor fuels for the years 2022/2023. One (1) quote was received, from Farmer's Union Oil Company (Cenex) in the amount of a .02% discount for both years.

It was moved by Sanborn, seconded by Curtiss and unanimously passed to accept the quote submitted by Farmer's Union Oil Company for a .02% pump discount for 2022 and 2023.

8. Ordinances.

- None.

9. Discussion and Miscellaneous.

- Council member Curtiss stated that he had been contacted by a citizen about the compost site being closed this past weekend. When he went to the site, he discovered that the gate was broken, so he fixed it. Staff informed the council that with summer park rounds no longer being conducted, there is no personnel on staff to open/close the site and, therefore, the site will soon be closed for the season.

Meeting adjourned at 7:35 P.M.

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Glennis A. Lauritsen, Secretary

Approved by council December 20, 2021:

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President - City Council