# APPROVED MINUTES
# CITY COUNCIL
# REGULAR MEETING
# CITY OF WYOMING, MINNESOTA
# NOVEMBER 20, 2018
# 7:00PM

## CALL TO ORDER:

*Mayor Lisa Iverson called the Regular Meeting of the Wyoming City Council for November 20, 2018 to order at 7:00 PM*

## CALL OF ROLL:

*On a Call of the Roll the following members of the Wyoming City Council were present: Councilmembers Lisa Iverson, Linda Nanko/Yeager, Joe Zerwas, Don Waller, and Claire Luger*

*ABSENT: None*

*Also Present: Mark Vierling, Eckberg Lammers, Robb Linwood, City Administrator, Mark Erichson-WSB, Paul Hoppe - Public Safety Director, Fred Weck, Zoning Administrator/Building Official and Marty Powers, Public Works Superintendent*

## DETERMINATION OF A QUORUM:

## PLEDGE OF ALLEGIANCE:

## OPEN FORUM: None

## APPROVAL OF MINUTES:

1. **Consider approving the minutes of the "Regular Meeting" of the Wyoming, Minnesota City Council for November 7, 2018**

   **A MOTION WAS MADE BY COUNCILMEMBER LUGER, SECONDED BY COUNCILMEMBER ZERWAS, TO APPROVE THE MINUTES OF THE "REGULAR MEETING" OF THE WYOMING, MINNESOTA CITY COUNCIL FOR NOVEMBER 7, 2018 AS SUBMITTED.**

   *Voting Aye: Waller, Nanko/Yeager, Luger, Zerwas, Iverson*
   *Voting Nay: None*
   *Abstain: None*
   *Absent: None*

## SCHEDULED BID LETTINGS: NONE

## SCHEDULED PUBLIC HEARINGS:

**2.** To consider Resolution 18-11-105, a resolution adopting assessments for the 2018 Street Reconstruction Project (City Project No. 18-01)

   **A MOTION WAS MADE BY COUNCILMEMBER WALLER, SECONDED BY COUNCILMEMBER LUGER TO OPEN THE PUBLIC HEARING REGARDING RESOLUTION 18-11-104, A RESOLUTION ADOPTING ASSESSMENTS FOR THE 2018 STREET RECONSTRUCTION PROJECT.**

   *Voting Aye: Waller, Nanko/Yeager, Luger, Zerwas, Iverson*
   *Voting Nay: None*
   *Abstain: None*

*Absent: None*

**City Engineer Erichson** – Gave a brief presentation regarding the process for street reconstruction and details on the location of the planned project. He noted that the assessment policy is 20% of the roadway improvements are paid by the residents and the remainder is paid by the City. He noted that residents are not assessed for any of the drainage improvements, curb and gutter or road widening, just up to the 24-foot wide roadway. He explained that the assessments totaled $344,378.05 and noted that the City did receive a grant from the State for $1,000,000. He explained that the assessments were not based on frontage but on a per unit basis.

**City Administrator Linwood** – Noted that it is a fifteen-year term.

**Council Member Nanko/Yeager** – Noted that all of the resolution language states that it is a ten-year term also.

**City Engineer Erichson** – Noted that appears to be a typographical error and it is a fifteen-year term and clarified that residents can choose to pay it more quickly.

**Jason Solmonson, 7961 Pioneer Road** – Asked how the interest rate for the assessment was set and if it was variable.

**City Administrator Linwood** – Noted that the interest rate is based on the rate the City receives for the bonding, and the assessment interest is simply set at 2% above that rate. He stated that the interest rate of 4.2% will be for the duration of the term and will not change.

**Bill Keilty, 7313 260th Street** – Stated that he has lived in this location for over 30 years and they were assessed by the City and the County for blacktopping 260th from Goodview to the outlet on Comfort Lake. He stated that this current project covers a different stretch of 260th Street that overlaps the same stretch that was done in 2002. He stated that he along with two of his neighbors are being assessed twice for the same section of roadway. He stated that they are not opposed to paying taxes, but he feels that mistakes have been made and are opposing this assessment.

**George Osgood** – Asked whether the rip rap with cedar bark in it will be removed in the spring.

**City Engineer Erichson** – Stated that what he is referring to is not rip rap, but a bio-roll, and it will be removed in the spring.

**Mr. Osgood** – Stated that the lake association paid for some community crime action signs that have not been replaced.

**Mayor Iverson** - Noted that the City will look into that and see about the signs.

**A MOTION WAS MADE BY COUNCILMEMBER ZERWAS, SECONDED BY COUNCILMEMBER LUGER, TO CLOSE THE PUBLIC HEARING AT 7:24 PM.**

*Voting Aye: Waller, Nanko/Yeager, Luger, Zerwas, Iverson*
*Voting Nay: None*
*Abstain: None*
*Absent: None*

**Council Member Nanko/Yeager** – Asked about the portion of the assessment policy that says residents will only be assessed once every 20 years. She asked if it didn't apply in this case because the City does not know what the township did in 2002.

**City Attorney Vierling** – Noted that the assessment policy does not say that but that there is an expectation that the road will last 20 years. He stated that there is some discretion in some

instances where the Council can pro-rate the assessment. Stated that the City may want to take a closer look at this, but noted that it is not uncommon for streets to be built in one year and assessed in another.

**City Engineer Erichson** – Gave a brief overview of how a complete reconstruction project is different than the blacktop project done in the past.

**Council Member Waller** – Stated that he agrees with Mr. Kelte that he already paid the assessment once and is being asked to pay the assessment twice for the same piece of roadway.

**City Administrator Linwood** – Noted that Mr. Keilty is correct that is was in 2002.

**Council Member Nanko/Yeager** – Stated that she is open to exploring pro-rating the assessment for the three property owners that were assessed in 2002.

**Council Member Zerwas** – Stated that he agreed.

**Council Member Luger** – Stated that she would also like pro-rating to be explored.

**Council Member Waller** – Stated that he would also like to see this pro-rated.

**Mayor Iverson** – Asked how pro-rating those three properties effects what the Council can do tonight.

**City Attorney Vierling** – Stated that if the Council wants to look into pro-rating those three properties, they should table this item, but if the Council is satisfied that they have it in hand they can identify the properties in the motion and make note that the assessment roll is being adjusted for those three properties by reducing their assessment by one-fifth.

**Council Member Luger** – Stated that for transparency, she would like to explore this to ensure everything is correct before moving forward.

**Mayor Iverson** – Stated that she agreed and would like to have all the moving pieces settled before a decision is made. She identified for the record the identities of the properties that have filed objections to the cost of the project: PIN #s: 21104800, 211038700, 211048200. She noted that all are owned by the same family and the reason for their objection is because they are zoned rural-residential and are made up of farmland and lowland

**A MOTION WAS MADE BY COUNCILMEMBER NANKO/YEAGER, SECONDED BY COUNCILMEMBER ZERWAS, TO TABLE DISCUSSION TO CONSIDER <u>RESOLUTION 18-11-105</u>, A RESOLUTION ADOPTING ASSESSMENTS FOR THE 2018 STREET RECONSTRUCTION PROJECT (CITY PROJECT NO. 18-01), IN ORDER TO CONSIDER PRO-RATING THE THREE PARCELS DISCUSSED.**

*Voting Aye: Waller, Nanko/Yeager, Luger, Zerwas, Iverson*
*Voting Nay: None*
*Abstain: None*
*Absent: None*

## CONSENT AGENDA:

*Items under the "Consent Agenda" will be adopted with one motion; however, council members may request individual items to be pulled from the consent agenda for discussion and action if they choose.*

**3.** To consider **<u>Resolution 18-11-106</u>** a resolution declaring the public safety department items of seized and unclaimed property and authorizing the public safety department to dispose of items through public auction disposal process

**A MOTION WAS MADE BY COUNCILMEMBER ZERWAS, SECONDED BY**

**COUNCILMEMBER LUGER, TO APPROVE THE WYOMING CITY COUNCIL CONSENT AGENDA.**

*Voting Aye: Waller, Nanko/Yeager, Luger, Zerwas, Iverson*
*Voting Nay: None*
*Abstain: None*
*Absent: None*

## COMMUNICATIONS:

**4.** Report of the Public Safety Director, Paul Hoppe for November 14, 2018

**5.** Report of City Building Official, Fred Weck, IV for November 14, 2018

**6.** Report of City Attorney Mark Vierling for November 14, 2018

**7.** Report of City Engineer Mark Erichson, WSB for November 14, 2018

**8.** Report of Public Works Superintendent Marty Powers for November 14, 2018

**9.** Communication from the Minnesota Department of Health 2017 Water Fluoridation Quality Award

**10.** AEM 2018 3rd Quarter Financial Report City of Wyoming

**Mayor Iverson** – Noted that she would like to pull items #4 and #9 for discussion.

**Council Member Waller** – Noted that he had a few questions regarding item #8 as well as a few questions for City Administrator Linwood. He stated that at the recent budget workshop meeting, he had asked a question regarding wages for the new Building Inspector position and was told that he was wrong. He stated that he had taken a look at the minutes from June 13, 2018 and they do state the number of $90,000 was for wages and not total compensation.

**City Administrator Linwood** – Noted that there was a small error in what Zoning Administrator Weck stated at the meeting which is what is reflected in the minutes when he stated $70,000 to $90,000 in wage. He noted that the audio reflects his own statement clarifying that the total compensation was closer to $90,000 - $100,000. He stated that the total compensation for this position will be anywhere from $60,000 to $80,000.

**Mayor Iverson** – She expressed her excitement about the drug take back box and asked him Public Safety Director Hoppe to explain a little bit about it.

**Public Safety Director Hoppe** – Noted that he has been working with the County for about a year to get a drug take-back box installed at the police department and noted that it should be happening after the first of the year. He stated that this box will give residents to ability drop off their unused or unwanted medications and the County will be responsible for disposal and noted that there is no cost to the City.

**Mayor Iverson** – Asked Public Safety Director Hoppe to share about the GTO program and how successful it was.

**Public Safety Director Hoppe** – Stated that the City was the first in the nation, outside of the State of Virginia, to have the GTO program. He stated that it was extremely successful and he was very proud that the whole community and businesses really came together and participated. He stated that the program lasted 16 weeks and Sean graduated last week. He stated that he is looking forward to the possibility of repeating the program next year if there is another family that would like to participate. He noted that because of the skills and different things Sean was able

to do during the program, he has a job interview on November 21, 2018. He stated that in addition to being a great program for Sean and the community, it also had a phenomenal impact on the police department and gave the officers first hand experience working with an individual with disabilities that will be very helpful out in the field. He stated that he has gotten feedback from the department that Sean is missed and he is happy to report that Sean is coming back as part of the regular cadet program this week.

**Mayor Iverson** – Stated that she heard there was a delivery of twins and three of the City's officers were present.

**Public Safety Director Hoppe** – Stated that Officer Boecker, Officer Paavola and Officer Thomas responded to an emergency birth at a home where the first born child was not breathing and had to be given CPR and in the process of doing that the officers were stunned to learn that a second child was on the way and helped assist in the delivery. He stated that the officers were honored at the Wild game last week as Hometown Heroes.

**Mayor Iverson** - Noted that she is extremely excited for the community to have received the 2017 Water Quality Award and commended Public Works Superintendent Powers for what he and his team have accomplished in the City.

## OLD BUSINESS:

**11.** To consider **Resolution 18-10-94** a resolution establishing water and sewer rates for 2019-2023 and SAC and WAC fees for 2019-2023 based on the rate study completed by Springsted, Incorporated

**City Administrator Linwood –** Gave an overview of the parameters of the rate study completed by Springstead and explained that they recommended that the City increase the water rates by 4.85% annually and increase the sewer rate by 1.5% annually. He noted that it was found that the SAC and WAC fees do not need any adjustment at this time.

**Council Member Nanko/Yeager** – Stated that she understands why the rates need to be increased, but she is concerned that the City has increased the rates for the last 5 years and it is still operating at a loss. She stated that she feels that an enterprise should be able to operate in the black even with depreciation. She asked what the City would be doing to get this to operate in the black.

**City Administrator Linwood** – Stated that he thinks having a different Public Works processes and doing things like replacing the meters will move the City towards the black. He stated that he is hopeful that these changes combined with the increase in rates will move the City in the right direction.

**Council Member Nanko/Yeager** – Stated that what makes her uncomfortable with this is that just raising rates did not work to get the City operating in the black.

**City Administrator Linwood** – Noted that there are a lot of hard costs that are built into the water and sewer systems and not always things that the City wants to spend money on. He gave examples of the necessity of dealing with the Minnesota Department of Health and the sewage facility treatment costs that require numerous water sampling to be done to ensure safe drinking water.

**Public Works Superintendent Powers** – Gave examples of ways and frequency the water is tested, flushed and sediment removed. He noted many of them are tested once a day and staff is now closely monitoring many things that were not monitored in the past.

**Council Member Zerwas** – Noted that the Chisago County Sewer Commission is planning a $6 million upgrade and they have also asked for assistance from Springsted, Inc. to help figure out

how to pay for these capital improvements. He stated that there is a meeting later this month on that issue and he will bring an update to the Council at that time.

**Mayor Iverson** – Noted that the water and sewer rate study information is available at City Hall if residents would like to come and look at it.

**Council Member Nanko/Yeager** – Stated that her concern is that if the City continues to operate in the red, the City will solve it by increasing the rates and not by adjusting the budget.

**City Administrator Linwood** – Explained that the City does evaluate the costs annually and it can be adjusted.

**Council Member Luger** – Asked if the expectation is for increased homes and businesses setting up in the City how that would affect the rates.

**City Administrator Linwood** – Stated that the Springsted rate study was very conservative with a .5% growth in users, but if it was more than that, it would impact the rates. He reminded the Council that the rates can be analyzed annually as part of the budget process.

**Council Member Waller** – Noted that operating in the red means that the money is coming from somewhere else and asked if that money was coming from the General Fund.

**City Administrator Linwood** – Stated that as far as funding the operation it is fine and there are still higher revenues than expenses, the difference comes when depreciation is factored in.

**A MOTION WAS MADE BY COUNCILMEMBER ZERWAS, SECONDED BY COUNCILMEMBER LUGER, TO APPROVE <u>RESOLUTION 18-10-94</u> A RESOLUTION ESTABLISHING WATER AND SEWER RATES FOR 2019-2023 AND SAC AND WAC FEES FOR 2019-2023 BASED ON THE RATE STUDY COMPLETED BY SPRINGSTED, INCORPORATED.**

*Roll Call:*

| | |
|---|---|
| *Waller:* | *Aye* |
| *Luger:* | *Aye* |
| *Nanko/Yeager:* | *Nay* |
| *Zerwas:* | *Aye* |
| *Iverson:* | *Aye* |

## NEW BUSINESS

**12.** To consider **<u>Financial Policy 18-01</u>** a policy establishing Enterprise Fund Cash Reserves

**City Administrator Linwood** – Reported that this was discussed at a recent work session and noted that an Enterprise Fund Cash Reserve policy was recommended by Springsted, Inc.

**Mayor Iverson** – **Asked** City Administrator Linwood to clarify what an “enterprise” fund is versus one of the other funds.

**City Administrator Linwood** - Stated that an example of an enterprise fund would be the water fund and sewer fund.

**A MOTION WAS MADE BY COUNCILMEMBER LUGER, SECONDED BY COUNCILMEMBER IVERSON TO APPROVE <u>FINANCIAL POLICY 18-01</u> A POLICY ESTABLISHING ENTERPRISE FUND CASH RESERVES.**

*Voting Aye: Waller, Nanko/Yeager, Luger, Zerwas, Iverson*
*Voting Nay: None*
*Abstain: None*

*Absent: None*

**13.** To consider and discuss selecting a consultant for the City of Wyoming Audit Services for 2018-2020

**City Administrator Linwood –** Stated that last year the City had a consultant that they weren't completely satisfied with and moved forward with the RFP process. He stated that there were six firms interested in working with the City and, in his opinion, two firms that stood out to him, Redpath and Bergan KDV. He stated that he would like to sit down with the potential team members along with the Finance Director and interview them to get a more accurate feel for what they can bring to the table.

**A MOTION WAS MADE BY COUNCILMEMBER WALLER, SECONDED BY COUNCILMEMBER LUGER, TO TABLE SELECTING A CONSULTANT FOR THE CITY OF WYOMING AUDIT SERVICES FOR 2018-2020, UNTIL STAFF CAN INTERVIEW BERGAN KDV AND REDPATH.**

*Voting Aye: Waller, Nanko/Yeager, Luger, Zerwas, Iverson*
*Voting Nay: None*
*Abstain: None*
*Absent: None*

**14.** To consider **Resolution 18-11-107** a resolution accepting the work and approving release of escrow for the Liberty Ponds

**City Engineer Erichson** – Explained this has been a long time coming because this project began in the early 2000s. He stated that all of the punch list items have been completed. He stated that the watershed district had asked the City to hold off on this because they wanted to conduct some additional testing. He stated that they have completed their testing and are satisfied with the close out of the project. He noted that the City will not own and operate their sewer management system. Staff is recommending approval pending the receipt of the warranty bond being provided to the City.

**Council Member Nanko/Yeager** – Asked if the City would inspect the sewer and water systems.

**City Engineer Erichson** – Stated that initially the City reviewed the systems as they were installed, but the homeowner's association will be responsible for annual inspections.

**A MOTION WAS MADE BY COUNCILMEMBER ZERWAS, SECONDED BY COUNCILMEMBER LUGER, TO APPROVE RESOLUTION 18-11-107 A RESOLUTION ACCEPTING THE WORK AND APPROVING RELEASE OF ESCROW FOR THE LIBERTY PONDS.**

*Voting Aye: Waller, Nanko/Yeager, Luger, Zerwas, Iverson*
*Voting Nay: None*
*Abstain: None*
*Absent: None*

**A MOTION WAS MADE BY COUNCILMEMBER WALLER, SECONDED BY COUNCILMEMBER ZERWAS, TO ALLOW THE DEVELOPER TO POST A LETTER OF CREDIT IN LIEU OF A WARRANTY BOND.**

*Voting Aye: Waller, Nanko/Yeager, Luger, Zerwas, Iverson*
*Voting Nay: None*
*Abstain: None*
*Absent: None*

**City Administrator Linwood –** Introduced Hannah Lynch of AEM and noted that she was here to answer any questions the Council may have. He noted that once the 2019 budget has been

completed, Hannah will be taking over the Finance Director role from Liz Lindrud.

**15.** To consider changing the date of the Tuesday, January 1, 2019 City Council meeting to Wednesday, January 2, 2019

**A MOTION WAS MADE BY COUNCILMEMBER IVERSON, SECONDED BY COUNCILMEMBER ZERWAS, TO CHANGE THE DATE OF THE TUESDAY, JANUARY 1, 2019 CITY COUNCIL MEETING TO WEDNESDAY, JANUARY 2, 2019.**

*Voting Aye: Waller, Nanko/Yeager, Luger, Zerwas, Iverson*
*Voting Nay: None*
*Abstain: None*
*Absent: None*

## CLAIMS:

**16.** Consider authorizing payment of recommended bills, payroll and Journal Entries for the period of November 8, 2018 through November 20, 2018

**Council Member Waller–** Stated that curb boxes were listed twice and asked why.

**Public Works Superintendent Powers –** Explained that they have been going throughout the City and fixing the curb boxes. He stated that they had purchased some ahead of time and then when they dug down found they were odd sized and had to order some from another vendor.

**Council Member Waller –**Stated there was also a listing for park benches from Jeff's Small Engines and noted that it seemed strange to buy them from a small engine place.

**Public Works Superintendent Powers –** Stated that throughout the City is equipment from Aluma which is a company out of Iowa and it has stood up really well. He stated that there are two local vendors that sell this type of bench and he chose the one that was $100 cheaper per bench. He stated that Jeff's Small Engine also sells aluminum boat docks boat lifts.

**A MOTION WAS MADE BY COUNCILMEMBER ZERWAS, SECONDED BY COUNCILMEMBER LUGER, AUTHORIZING PAYMENT OF RECOMMENDED BILLS, PAYROLL AND JOURNAL ENTRIES FOR THE PERIOD OF NOVEMBER 8, 2018 THROUGH NOVEMBER 20, 2018 AND CORRECT CODING OF BILLS**

*Voting Aye: Waller, Nanko/Yeager, Luger, Zerwas, Iverson*
*Voting Nay: None*
*Abstain: None*
*Absent: None*

## COUNCIL REPORTS:

**Council Member Zerwas** – Attended Council workshop and Joint Sewer Commission Meeting

**Council Member Nanko/Yeager** – Attended budget work session

**Council Member Luger** – Attended budget work session

**Council Member Waller** – Attended budget work session

**Mayor Iverson –** Attended EDA and the Council budget work session. She reminded residents that the tree lighting event will be held on December 1, 2018. She stated that the Wyoming Wanderers come around every Friday from 6:00 to 10:00 p.m. and encouraged people to come and listen to them.

**A MOTION WAS MADE BY COUNCILMEMBER ZERWAS, SECONDED BY COUNCILMEMBER LUGER, TO ADJOURN THE NOVEMBER 20, 2018 "REGULAR MEETING" OF THE WYOMING, MINNESOTA CITY COUNCIL REGULAR MEETING AT 8:37 PM**

*Voting Aye: Waller, Nanko/Yeager, Luger, Zerwas, Iverson*
*Voting Nay: None*
*Abstain: None*
*Absent: None*

***A portion of this public meeting may be closed to discuss "Labor Negotiation Strategies"; "Misconduct allegations or charges"; "Attorney-client privilege"; or "Performance evaluations" as per MN State Statute 13D.01-.05.***

***NEXT REGULAR MEETING:***
***DECEMBER 4, 2018***
***7:00PM***