

## **Dawson City Council Minutes**

**September 6, 2016**

**5:30 p.m.**

The Dawson City Council met in regular session on Tuesday, September 6, 2016, at 5:30 p.m. in the City Council Chambers.

Councilpersons present: Steve Tufto, Becky Bothun, Jeff Olson, and Dave Lien.

Councilpersons absent: Heather Myers and J.T. Schacherer.

Others present: Mayor Merlin Ellefson, Interim City Manager Tami Schuelke-Sampson, Interim City Clerk Treasurer Kristi Kvaal, Payroll/Utility Clerk Jill Kemen, City Attorney Rick Stulz, Fire Chief Brian Hersom, Jim Heinrich, and DSI representatives Dan Popowski and Amanda Bernardy.

Declaring a quorum present Mayor Ellefson called the meeting to order and the group repeated the Pledge of Allegiance to the Flag.

Mayor Ellefson asked for approval of the agenda as printed. On motion by Councilman Lien seconded by Councilman Olson to approve the agenda with no changes. Voting in favor: Tufto, Bothun, Olson, and Lien; voting against: none; absent: Myers and Schacherer. Motion carries.

Councilman Schacherer arrived at 5:33 p.m.

On motion by Councilman Olson seconded by Councilwoman Bothun to approve the Consent Agenda Items #4 and #15, Approval of the August 2<sup>nd</sup> Council Meeting Minutes and the August Bills Paid. Voting in favor: Tufto, Bothun, Olson, Lien, and Schacherer; voting against: none; absent: Myers. Motion carries.

Mayor Ellefson opened the 10 minute public forum. Hearing no comments Mayor Ellefson closed the public forum.

Jim Heinrich addressed the Council, requesting an increase in the City's contribution to the Fire Relief Fund from the current \$1,800 to \$2,000/year of service. He stated that it has been nine years since the City last raised the individual benefit amount. He went on to state that the Dawson Fire Department is a non-paid department and would like to stay that way. Based on the current audit information, Jim stated that an increase to \$1,900 would result in an additional \$4,454 paid by the City for 2017. An increase to \$2,000 would raise the City's contribution an additional \$9,451. Jim also presented figures from the cities of Madison and Canby for comparison. The City of Madison pays each member approximately \$600/year for calls and meetings in addition to a \$1,000/year of service retirement benefit. Likewise, the City of Canby also pays each member approximately \$600/year and is hoping to increase their retirement benefit to \$2,000/year of service in 2017.

It was noted that since 2010, the Dawson Fire Department has been the beneficiary of the pull tab revenue sold at The Rusty Duck. Jim went on to state that from 2010-2015 the fire department contributed \$307,000 for equipment purchases. And over the course of the last six years, the fire department has given a total of \$485,900 to the City and an additional \$97,500 to various community organizations. Jim stated that he strongly recommends that the City consider increasing the pension plan to \$2,000/year of service.

Mayor Ellefson asked if Jim was at the meeting as a representative of the Relief Association. Jim replied that he represented the Fire Department, but was not a member of the Relief Association. Mayor Ellefson clarified that any proceeds of the pull tab money is not given to the City, but is channeled through the City back to the Fire Department for the purchase of equipment, etc., Councilman Olson indicated that he felt the request for an increase was substantial. He also indicated that the City should have at least two members present at the Fire Relief Association meetings to represent the City and stay informed on current issues and any increase requests. Mayor Ellefson recounted that in the past the City was asked to make a substantial contribution to the Fire Relief Association when the stock market took a turn downward and the investments could no longer meet the contribution requirements. At that time, the City asked if the Fire Department could temporarily take a reduction in benefits to which they denied the City's request and the City picked up the deficit of approximately \$60,000.

Mayor Ellefson went on to state that the City would like to participate in discussions with the Relief Association and needs to have two members present at their meetings. He recommended presenting the pension plan increase at the township meeting, but indicated they might receive a poor reception. Furthermore, the budget is already prepared for 2017 with little room for adjustments, and an increase is simply not in the budget. Jim stated that they could have asked for an increase last year, but wanted to wait for the audit results from this year, which they just received. He stated his frustration in the fact that by the time they got the auditor's report, the budget was already completed for the upcoming year.

Councilman Olson further pointed out that at the same time that the City of Dawson was struggling to meet their contribution requirement to the Relief Association, the Canby Fire Department did in fact agree to reduce their benefit to reduce the burden on the City of Canby. Olson also stated he felt the City should have representatives at the Fire Relief Association meetings.

The regular City Council meeting was recessed at 5:45 p.m. to allow for the Public Hearing for the Small Cities Grant.

Dan Popowski gave an update on the Small Cities Grant currently being administered within the City of Dawson. He indicated that the program is going well with just over one-half of the residential and one-half of the commercial loans being used. Councilman Olson asked if there was a chance that the target area might be increased. Dan replied that he didn't foresee that

happening since there has been more interest in the program and he anticipates all of the available spots will be taken. Mayor Ellefson asked how many more residential spots were available, to which Dan replied seven.

The regular City Council meeting resumed at 5:50 p.m.

Mayor Ellefson stated that the City did take a look at cities relatively the same size within the state, and found the average to be \$1,375/year of service. Jim then asked what those cities contributed to the equipment fund. Mayor Ellefson explained that the money that the Fire Department contributes to the equipment fund is basically a gift from the gambling fund. Jim stated that the Fire Department had in fact saved the City a lot of money. Councilman Olson reiterated that the budget is prepared for 2017. Jim then stated that he tried to follow the rules of order, but indicated that they just received the numbers from the auditors. Councilman Olson stated that the City needs to know about expenditures at least a year in advance to work it into the budget. Fire Chief Hersom asked if the budget is set in stone. Councilman Schacherer stated that there is little room for adjustment at this point, explaining that the City cannot increase but can decrease expenditures. Mayor Ellefson indicated any changes would result in shifting amounts between departments. Discussion was held concerning the dates of the audit relative to previous years. Mayor Ellefson stated that the City needs time to evaluate the request, and work together with the Fire Relief. Councilman Schacherer agreed that all parties need to work together, and expressed concern over the future of the investments. Mayor Ellefson stated that in the past the City Administrator and the City Clerk were the City's representatives at the Relief Association meetings.

Discussion was held concerning an agreement between the Pictometry International Corp. and Lac qui Parle County. Councilman Schacherer said he was skeptical of the program indicating it was not useful for determining lot lines within the City. City Attorney Rick Stulz stated that Jake Sieg has the program at the Lac qui Parle County Courthouse, but that the public doesn't have access to the technology. It was decided not to enter into the agreement at this time.

On motion by Councilman Schacherer seconded by Councilman Olson to approve a 2016 contribution request by the Lac qui Parle County Economic Development Authority for \$15,000. Voting in favor: Tufto, Bothun, Olson, Lien, and Schacherer; voting against: none; absent: Myers. Motion carries.

Discussion was had on the prospect of having a private citizen obtain grant money to extend the current walking trail in Dawson. Councilman Schacherer stated that he thought it was a good idea but that the City doesn't have the manpower at this time to pursue the project. Councilman Olson recommended contacting the RDC. Mayor Ellefson stated that the current trail was completed by the public. No action was taken.

On motion by Councilman Olson seconded by Councilman Schacherer to approve the Liability Coverage Waiver from the League of Minnesota Cities Insurance Trust. Voting in favor: Tufto, Bothun, Olson, Lien, and Schacherer; voting against: none; absent: Myers. Motion carries.

Interim City Manager Tami reviewed the information concerning the Proposed 2017 Levy which reflects a 5% increase. She noted that a meeting was held with Jack Fay and Rebecca Kurtz of Ehlers on September 1 concerning the bond payments and options available to the City. Councilman Schacherer asked if a new squad car was included in the budget, to which Tami replied yes. She noted that the City is currently paying back \$17,000 to reserves. On motion by Councilman Olson seconded by Councilman Lien to approve the Resolution Adopting the Proposed 2017 Levy. Voting in favor: Tufto, Bothun, Olson, Lien, and Schacherer; voting against: none; absent: Myers. Motion carries.

On motion by Councilman Olson seconded by Councilman Tufto to approve the Resolution for Bank Account Signers which adds Jill Kemen and removes Tami Schuelke-Sampson. Voting in favor: Tufto, Bothun, Olson, Lien, and Schacherer; voting against: none; absent: Myers. Motion carries.

On motion by Councilman Schacherer seconded by Councilman Tufto to approve the Pioneerland Library System 3<sup>rd</sup> Quarter Funding Request for \$13,750. Voting in favor: Tufto, Bothun, Olson, Lien, and Schacherer; voting against: none; absent: Myers. Motion carries.

Interim City Manager Tami Schuelke-Sampson's Report:

1. Tami informed the Council that the EDA has purchased the home at 712 Pine Street belonging to Tina Burkart-Horst. INSPEC did an inspection of the Library roof and found extensive leaking. A report is expected within two weeks.
2. Brent met with the Army Corp of Engineers concerning Ditch #4. They are willing to work with the City and recommend an additional culvert and control mechanism.
3. The new sirens have been installed and have been tested. They are located on the water treatment plant and the west end of the elementary playground.

On motion by Councilman Lien seconded by Councilwoman Bothun to adjourn the meeting. Motion carries and the meeting adjourned at 6:30 p.m.