

Dawson City Council Minutes
October 20, 2020
5:30 p.m.

The Dawson City Council met in regular session Tuesday, October 20, 2020 at 5:30 p.m. at the Dawson City Hall Council Chambers following social distancing guidelines and wearing masks.

Councilpersons present: Councilman Al Tufto, Councilman Charlie Prestholdt, Councilman Steve Tufto, Councilman Jeff Olson

Councilpersons absent: Councilman Jeff Fish and Councilwoman Chessa Frahm

Others present: Mayor Randy Tensen, Maintenance Superintendent Brent Powers, City Attorney Rick Stulz, City Manager Tami Schuelke-Sampson, Jeff Kuhn and Larry Van Hout with Widseth Smith and Nolting via Microsoft Teams, Rebecca Kurtz with Elhers via Microsoft Teams, Jill Kemen City Clerk/Treasurer via Microsoft Teams

Mayor Tensen called the meeting to order and everyone repeated the Pledge of Allegiance.

Councilman A. Tufto motioned to approve the agenda with a second from Councilman Olson. Voting in favor Councilman A. Tufto, Councilman S. Tufto, Councilman Olson, and Councilman Prestholdt. Voting against none. Absent Councilman Fish and Councilwoman Frahm. Motion passed.

On motion by Councilman A. Tufto with a second from Councilman Olson to approve the October 6, 2020 Council Meeting Minutes. Voting in favor Councilman A. Tufto, Councilman S. Tufto, Councilman Olson, and Councilman Prestholdt. Voting against none. Absent Councilman Fish and Councilwoman Frahm. Motion passed.

Mayor Tensen opened the 10-minute public forum. Hearing nothing, Mayor Tensen closed the public forum.

Jeff Kuhn, City Engineer with Widseth Smith and Nolting, updated council on the project. Mother Nature threw a wrench into the plan for the week with the snowfall we received today. Paving that was supposed to occur will be pushed back to at least Thursday. There needs to be warmer temperatures with melting snow happening before pavement. This may even mean pushing the snow off the gravel to help accommodate the warming and melting. Mayor Tensen asked Kuhn what the project managers are thinking with the weather change. Kuhn stated that they are hoping for the best and are not quite ready to be done for the season yet due to untimely weather. Households need to get off temporary water which will hopefully happen by the end of the week. There have been issues with the cold temperatures and these temporary lines freezing. Homeowners with temporary lines are asked to remember to run a trickle to keep the line from freezing up. One thing Kuhn needed addressed was who is responsible to replace the sidewalk to extend it to meet the curb again. Worst case scenario it would cost \$25,000 to get the sidewalks back to the curb line which is less than 1% of the project. Councilman Olson stated his opinion that the sidewalk must be completed from the front door to the street. On motion by Councilman Olson with a second from Councilman Prestholdt to cover the costs of the sidewalks that were removed to replace them to meet the curb line. Voting in favor Councilman A. Tufto, Councilman S. Tufto, Councilman Olson, and Councilman Prestholdt. Voting against none. Absent Councilman Fish and Councilwoman Frahm. Motion passed.

There will be another pay request coming up during the November meeting for the contractors with one more to follow for a total of 3 pay requests in 2020. Councilman Olson said it is imperative to make sure the water is back on before any colder weather moves in. Kuhn said Blaine Green is doing a good job at responding to calls concerning issues and communicating it to the project contractor. Brent Powers, Maintenance Superintendent, stated that the main goal is to dig in the service line pipe first before any other work continues.

Larry Van Hout, Widseth Smith and Nolting, has been in contact with the contractor awarded the bid for the elevated storage unit, Maguire Iron. A preconference meeting was held on September 24 which addressed the beginning of the project. The foundation for the tank is currently being built and will be placed along with the piping underground mid-November. Fabrication will happen late winter / early spring with painting to take place in the summer of 2021. Paint samples were given to the council to decide on the tank color. Discussion. City Manager, Tami Schuelke-Sampson asked if all paint colors were the same price and Van Hout answered yes. Mayor Tensen asked about a design on the tower to which the response was there would be up an upcharge. Van Hout said he picked a basic font and if council wanted something different, there may be an additional charge. Councilman Prestholdt asked how often the elevated storage unit gets washed. Powers said that all depends on the dust created by the elevator because of the location. Van Hout said council needs to decide on what two sides to paint "Dawson" on and which way to point it.

Van Hout presented a pay request for Maguire Iron of \$71,250. This request includes bonds, insurance, and drawings. On motion by Councilman Prestholdt to approve the first pay request for Maguire Iron with a second from Councilman S. Tufto. Voting in favor Councilman A. Tufto, Councilman S. Tufto, Councilman Olson, and Councilman Prestholdt. Voting against none. Absent Councilman Fish and Councilwoman Frahm. Motion passed.

After further discussion on color and possible decals, which Councilman Prestholdt said he would fundraise for so the cost of the designs on the tower would not be an expense to taxpayers. Motion by Councilman Prestholdt to paint the tower black with lemon yellow seconded by Councilman Olson. Voting in favor Councilman A. Tufto, Councilman S. Tufto, Councilman Olson, and Councilman Prestholdt. Voting against none. Absent Councilman Fish and Councilwoman Frahm. Motion passed.

Herzog Roofing Inc. has submitted a pay request for the armory building roof as part of the Minnesota Historical Grant the city received. They are requesting \$95,000 of the \$112,500 bid for the project. Collaborative Design Group, the architects, have approved this pay request. On motion by Councilman Olson with a second by Councilman Prestholdt to approve the pay request for Herzog Roofing, Inc. Voting in favor Councilman A. Tufto, Councilman S. Tufto, Councilman Olson, and Councilman Prestholdt. Voting against none. Absent Councilman Fish and Councilwoman Frahm. Motion passed.

Rebecca Kurtz with Ehlers addressed council sharing a copy of the Standard and Poor's bond rating report. She congratulated the city for its "A" stable rating for both bonds issued. Bond 2020B has a state credit enhancement of AAA. S&P also awarded the city current debt at an "A" rating. Kurtz highlighted some of the positive news in the bond rating report. After her report, Mayor Tensen asked if a press release could be

written and into the paper, so citizens are aware of the good standing the city is in. Schuelke-Sampson and Kurtz will work together to get something published.

Kurtz said Ehlers held a bidding sale for the bonds on the infrastructure project. Bid first was 2020A for \$2,075,000 the street portion of the project. Baird from Milwaukee, Wisconsin bid along with multiple underwriters helping to finance the true interest cost of 2.1059% with 15-year terms. Total paid over the life of the bond including principal and interest will be \$3,911,705. The bond is due payable in 2030. The bond can be called in 2029 to help reduce interest paid. This will be monitored closer to 2029 to see if the city can take advantage of this. The 2020A bond also received a premium bid. A premium bid reduces the amount of principal needed. A premium bond incurs a little higher payment in the beginning but balances with a reduced principal amount. Rebecca Kurtz with Ehlers recommends awarding the sale of the bond 2020A to Baird. On motion by Councilman Prestholdt to award the bond sale to Baird on Kurtz recommendation with a second from Councilman Olson. Voting in favor Councilman A. Tufto, Councilman S. Tufto, Councilman Olson, and Councilman Prestholdt. Voting against none. Absent Councilman Fish and Councilwoman Frahm. Motion passed.

2020B water, sewer, storm sewer, and elevated storage tank bond also received the credit enhancement of the state with a AAA rating. Baird from Milwaukee, Wisconsin also bid on the sale of this bond. This bond received a true interest cost of \$1.796%. This premium bid will help reduce the principal of the bond by \$860,000. The city will retain an additional \$100,000 funds to help cover any unexpected costs or help with preliminary costs to Phase II of the project. Rebecca Kurtz with Ehlers recommends awarding the sale of the bond to Baird. On motion by A. Tufto to award the bond sale to Baird on Kurtz recommendation with a second by Councilman S. Tufto. Voting in favor Councilman A. Tufto, Councilman S. Tufto, Councilman Olson, and Councilman Prestholdt. Voting against none. Absent Councilman Fish and Councilwoman Frahm. Motion passed.

Kurtz acknowledged some pay requests have already been made. The money from the bond sale will be available for use October 29. Funds will be wired to the city account. Kurtz stated she was very pleased with today's results. Council thanked her for her work on the bonds.

Councilman Prestholdt reviewed what the park board spoke about at their committee meeting. He made a recommendation to fix one of the tennis courts awarding the work to Larson Brothers. The contractors would be able to strip the pavement off the courts saving \$2,800 on the bid. Councilman Prestholdt spoke with Evert Olesen, Larry Borstad and Tom Hansen to see if they are interested in painting the lines like had been done in the past. Councilman Olson asked if there is money in the park fund to repair the courts. Powers stated maybe the concrete could be colored which would erase the need for painting lines. On motion by Councilman Olson with a second by Councilman A. Tufto to repair one court only not exceeding the budget of \$34,000. Voting in favor Councilman A. Tufto, Councilman S. Tufto, Councilman Olson, and Councilman Prestholdt. Voting against none. Absent Councilman Fish and Councilwoman Frahm. Motion passed.

Councilman Prestholdt had Larson Brothers look at the cement at the concession stand/restrooms by the softball fields. He is currently getting estimates from local contractors to find out the cost of repairs. He would like to address this next year.

Dawson Senior Citizens have submitted their request to hold bingo again in 2021. All necessary paperwork has been received. On motion by Councilman Olson with a second from Councilman S. Tufto to approve the Dawson Senior Citizens gambling request. Voting in favor Councilman A. Tufto, Councilman S. Tufto, Councilman Olson, and Councilman Prestholdt. Voting against none. Absent Councilman Fish and Councilwoman Frahm. Motion passed.

Computer Commuter update is for information only.

Maintenance Superintendent Brent Powers' Report

With nothing to report, Powers simply stated it snowed.

Dawson has been asked to support the business grants that the county gave out to help businesses due to COVID-19. Mayor Tensen said the city is asked to contribute \$10,000. Attorney Stulz said Dawson would be better off in the long run to help with this cause. There is additional funding Dawson could receive back through the EDA funds the county has to give. Mayor Tensen recommends the city contribute to this. This would come out of the \$109,000 the city received because of CARES. On motion by Councilman Prestholdt with a second by Councilman S. Tufto to approve \$10,000 for the county to be used as business grants. Voting in favor Councilman A. Tufto, Councilman S. Tufto, Councilman Olson, and Councilman Prestholdt. Voting against none. Absent Councilman Fish and Councilwoman Frahm. Motion passed.

Tami Schuelke-Sampson Report

- A. Due to elections, the next council meeting will be held a week later on Tuesday, November 10, 2020.
- B. Enclosed in your packet is a copy of the thank you letter the city received from Stan Nelson, one of the city key recipients.
- C. Schuelke-Sampson has reached out to six different companies regarding a housing study. She currently has heard back from three. One company was not interested and two asked more questions. She provided answers and is waiting to hear more. No companies have offered an estimate yet.

Motion by Prestholdt to adjourn the meeting with a second by Councilman S. Tufto. Voting in favor Councilman A. Tufto, Councilman S. Tufto, Councilman Olson, and Councilman Prestholdt. Voting against none. Absent Councilman Fish and Councilwoman Frahm. Motion passed.

Meeting adjourned at 6:33 p.m.

City Manager

Mayor