

Dawson City Council Minutes

February 21, 2017

5:30 p.m.

The Dawson City Council met in regular session on Tuesday, February 21, 2017, at 5:30 p.m. in the City Council Chambers.

Councilpersons present: Becky Bothun, Jeff Olson, Al Tufto and Charlie Prestholdt.

Councilpersons absent: Steve Tufto and Dave Lien.

Others present: Mayor Randy Tensen, City Manager Tami Schuelke-Sampson, City Clerk Treasurer Kristi Kvaal, Payroll/Utility Clerk Jill Kemen, Maintenance Superintendent Brent Powers and City Attorney Rick Stulz.

Declaring a quorum, Mayor Randy Tensen called the meeting to order and the group repeated the Pledge of Allegiance to the Flag.

Mayor Tensen asked for approval of the agenda with no changes. On motion by Councilman Prestholdt seconded by Councilwoman Bothun to approve the agenda with no changes. Voting in favor: Bothun, Olson, A. Tufto and Prestholdt; voting against: none; absent: S. Tufto and Lien. Motion carries.

On motion by Councilman Olson seconded by Councilman A. Tufto to approve the February 7th Council Meeting Minutes. Voting in favor: Bothun, Olson, A. Tufto and Prestholdt; voting against: none; absent: S. Tufto and Lien. Motion carries.

Mayor Tensen opened the 10 minute public forum. Hearing no comment, Mayor Tensen closed the public forum.

Mayor Tensen reviewed the minutes of the Water/Wastewater Committee Meeting held on Thursday, February 16. Tensen stated that due to a significant shortage in the water/wastewater enterprise fund, the committee is recommending an increase in the water base rate from \$6.44 to \$11.00 and an increase in the sewer base rate from \$6.88 to \$11.00. In addition, the current policy would be changed to include base fees and capital improvement fees to all structures including those with no water meter. The only exception to the implementation of the new fees would be for bare lots, which would continue to be exempt.

City Manager Schuelke-Sampson made available a handout with a comparison of the water and sewer rates for area cities and summarized the recommendations made by the Water/Wastewater Committee:

- 1.) The City of Dawson would charge capital improvement fees and base fees to all current structures where service is available.

- 2.) The City of Dawson would increase their after hour fee from \$20.00 to \$50.00 to reconnect water service. After hours would be defined as after 4:30 p.m. and before 8:00 a.m. Monday-Friday, all weekends and holidays.
- 3.) The City of Dawson would discontinue the use of door hangers for delinquent utility bills. Attorney Stulz will research the current policy and make a recommendation. If the City is unable to change the door hanger policy, a fee of \$10.00 per door hanger will be charged.
- 4.) The City of Dawson would agree to sell water to Lincoln Pipestone Rural Water at a rate of \$2.10/1,000 gallons or 21¢/100 gallons.

Councilman Prestholdt asked if the Committee had quoted that rate to LPRW or vice versa. Maintenance Superintendent Powers stated that the City had set the rate. He will contact them tomorrow regarding the agreement. Tami indicated that we will need to send them a copy of our minutes for them to review at their next board meeting. Mayor Tensen stated that the City would increase the base fees at this time and leave the water/sewer rates alone. Tami explained that the water/wastewater enterprise fund lost \$66,000 last year. Since it is an enterprise fund, it cannot show a negative cash flow and must be able to maintain itself financially. The bond payment in 2016 was \$431,316.00 and this year it is \$461,877.00. The difference must be paid for with revenue from the enterprise fund. Councilman Prestholdt asked about the amount of the increase per household and approximately how many meters would be affected. Tami stated the increase would be roughly \$8.00/month per household, and the City has approximately 700 meters. Councilman Prestholdt stated that the additional revenue from an increase in base fees would amount to approximately \$70,000.00/year. Tami stated that the City would also receive additional revenue from the sale of water to LPRW.

Councilwoman Bothun expressed concern over the rate increase and its impact on the residents. Tami stated that she had not heard any negative feedback regarding the last rate increase for city-wide clean up. She indicated that the goal is to eliminate the water and sewer rate increases every year by generating enough revenue to maintain the fund on a yearly basis. Councilwoman Bothun asked if an explanation of the rate increase would be explained in the minutes and published in the Dawson Sentinel, to which Tami replied yes. Mayor Tensen also suggested that the comparison rate study be available at City Hall for review by the public. Councilman A. Tufto commented that even with the proposed rate increase, the City of Dawson would still be lower than several of the area communities. Discussion. On motion by Councilman Olson seconded by Councilman A. Tufto to approve the recommendations made by the Water/Wastewater Committee as presented. Voting in favor: Bothun, Olson, A. Tufto and Prestholdt; voting against: none; absent: S. Tufto and Lien. Motion carries.

Tami then explained the changes in the proposed Water/Sewer Ordinance. These would include an increase in both the water and sewer base rates to \$11.00, and a change from a per 1,000 gallon rate to a per 100 gallon rate. There would be no increase in the per gallon rate, but would

result in a more uniform reading each month on meters with minimal usage. On motion by Councilman Olson seconded by Councilwoman Bothun to approve the First Reading for Water/Sewer Change. Voting in favor: Bothun, Olson, A. Tufto and Prestholdt; voting against: none; absent: S. Tufto and Lien. Motion carries.

Tami drew attention to the letter from the LqP County Environmental Office concerning the spring city-wide clean up. Discussion. Powers stated that the City will be in charge of picking up televisions and would document the names and addresses of those taking part in the collection.

On motion by Councilman Prestholdt seconded by Councilman A. Tufto to approve the Dawson Bowl 3.2 Beer License Renewal. Voting in favor: Bothun, Olson, A. Tufto and Prestholdt; voting against: none; absent: S. Tufto and Lien. Motion carries.

On motion by Councilwoman Bothun seconded by Councilman A. Tufto to approve The Rusty Duck Liquor License Renewal. Voting in favor: Bothun, Olson, A. Tufto and Prestholdt; voting against: none; absent: S. Tufto and Lien. Motion carries.

On motion by Councilman A. Tufto seconded by Councilman Olson to approve the Dawson Ambulance Funding Request. Voting in favor: Bothun, Olson, A. Tufto and Prestholdt; voting against: none; absent: S. Tufto and Lien. Motion carries. Tami explained this is a budgeted item.

Maintenance Superintendent Brent Powers' Report:

1. Brent stated that the street crew has been taking advantage of the nice weather and sweeping the city streets. Regular maintenance is being performed. With the mild winter, potholes are not creating too much of a hazard as of yet.
2. Brent will be in St. Cloud for training on March 7.

City Manager Tami Schuelke-Sampson's Report:

1. The training burn for the house at 712 Pine Street will be March 11, with a backup date of March 25.
2. The City is working on the final details regarding the new City/Chamber website. Payment Service Network has been hired to provide a credit card payment option to residents, which will include utility bills, campground fees, room rental fees, etc. The City will notify the public when credit card payments can be accepted. Once implemented, residents will be able to pay their bill online, by phone or at City Hall.

On motion by Councilwoman Bothun seconded by Councilman A. Tufto to adjourn the meeting. Motion carries and the meeting adjourned at 5:50 p.m.