

**City of Wadena
Regular City Council Minutes
Tuesday, September 12, 2023**

1. Call to Order

The Wadena City Council held a regular meeting on Tuesday, September 12, 2023. Mayor Deiss called the meeting to order at 5:00 p.m.

2. Roll Call

Comprising a quorum of the City Council, the following members were present: George Deiss, Mark Lunde, Wade Miller, and Dan Sartell.

3. Consent Calendar

- A. Claims as Presented for Payment
- B. City Administrator's Monthly Financial Report
- C. City Council Meeting Minutes:
 - 1. July 17, 2023, Special Meeting
 - 2. July 31, 2023, Special Meeting
 - 3. August 8, 2023, Regular Meeting
- D. Resolution 23-27: Appoint Michelle Silvers to WDA Board
- E. Action Memorandum 23-74: Lakeland Lawn Service Peddlers License Application
- F. Action Memorandum 23-75: Wadena Fire Relief Assn Gambling, November 17, 2023

Action Motion: Unanimously approved the consent calendar items.

Moved by:	Lunde	Seconded by:	Miller
Roll call vote:	Deiss, Lunde, Miller, Sartell		

4. New Business

Item A – Resolution 2023—28: Proposed 2024 General Fund Tax Levy

A budget meeting was held August 22, 2023. Since then, new information has been developed, and budget changes occurred, shown below. The proposed levy percentage is 3.26%.

Revenues:

- \$25,000 was added to be drawn down from the IF Foundation offsetting the library bond.
- \$12,000 was added for leasing the airport main hangar.
- \$3,000 was added for the new Midco lease agreement.

Expenditures:

- The fire dept. wages projected a 10% increase. It was reduced to 5%, matching all other departments, creating a \$4,687 savings. After discussions about where to reallocate, it was decided to designate to police department capital asset radio replacements.
- Expense capital outlay line items were adjusted to offset revenue (listed above):
 - \$4,000 to police tasers
 - \$37,000 to street shop heavy machinery/equipment
 - \$3,000 to parks other equipment.

Council members agreed to increase the levy to 3.75%, a difference of \$2,163.00. This was added to the donations & special projects expense line item under unallocated. A Mill Levy Rate of \$.056 per \$1,000 property value was also created as an alternative way for taxpayers to determine their annual increase.

Action Motion: Unanimously approved the proposed 2024 levy at \$456,526.00, a \$16,501.00 increase from 2023, 3.75% and mill rate of \$.056 per \$1,000 taxable market value.

Moved by:	Lunde	Seconded by:	Miller
Roll call vote:	Deiss, Lunde, Miller, Sartell		

Item B – Resolution 2023-29: WDA Mandatory Tax Levy

Dean Uselman reported that the WDA board passed resolutions approving a 2024 mandatory tax levy at a rate of .01813% for development purposes. This helps WDA increase revenue to purchase and improve properties for economic development.

Action Motion: Unanimously approved a 2024 WDA mandatory tax levy at .01813%.

Moved by:	Sartell	Seconded by:	Gibbs
Roll call vote:	Deiss, Lunde, Miller, Sartell		

Item C – Resolution 2023-30: WDA Discretionary Tax Levy

Dean Uselman proposed a 2024 discretionary tax levy rate of .00282% of the estimated market value. This helps WDA increase revenue to purchase and improve properties for economic development.

Action Motion: Unanimously approved a 2024 WDA discretionary tax levy at .00282%.

Moved by:	Lunde	Seconded by:	Sartell
Roll call vote:	Deiss, Lunde, Miller, Sartell		

Item D – Resolution 2023-31: HRA Tax Levy

The HRA tax levy was proposed at a .0144% generating approximately \$42,000 annually.

Action Motion: Unanimously approved a 2024 HRA tax levy rate at .0144%.

Moved by:	Lunde	Seconded by:	Miller
Roll call vote:	Deiss, Lunde, Miller, Sartell		

Item E – Resolution 2023-32: Conditional Use Permit to Construct Retail Diesel Fuel Pumps, Underground Storage Tanks and Canopy within the Central Business Zoning District

The Planning Commission held a public hearing for Holiday Stationstores, LLC to consider a conditional use request to construct a retail diesel fuel pumping and underground storage and canopy business located on parcel 22-300-0270. No public attendees were present, one letter of support was received.

MnDOT is planning to close the current southern access point to the existing paved lot. The current entrance to the gravel parking lot will remain open.

Action Motion: Unanimously approved a conditional use permit to Holiday Stationstores, LLC., parcel 22-300-0270.

Moved by:	Sartell	Seconded by:	Lunde
Roll call vote:	Deiss, Lunde, Miller, Sartell		

Item F – Action Memorandum 23-76: Public Works Department Mechanic Hire

Dan Kovar reported four applicants applied with only two interviewed. The interview panel was comprised of Kim Schroeder, Dan Kovar and Shawn Swenson. Both candidates interviewed well with the decision narrowed to the number of years of experience. Dan would like to offer candidate Mike Kleinke the position at a Step 2 rate of \$24.17/hr. This candidate is asking for a two-week start date and the offer is contingent upon passing a background, drug screening and physical agility test.

Action Motion: Unanimously approved hiring, Mike Kleinke as Public Works Mechanic, Step 2, \$24.17 effective after a two week notice to current employer. Offer Contingent upon passing a background, drug screening, and physical agility test.

Moved by:	Sartell	Seconded by:	Miller
Vote:	Deiss, Lunde, Miller, Sartell		

Item G – Action Memorandum 23-77: 2023 Street Overlay Bids

Letters were sent to local contractors. Three were received with Howards Paving providing the lowest bid. The total cost of the project is estimated at \$140,927.24.

The newly developed street Wedge Lane is included in the bid with its portion at \$41,345.60 and will be fully assessed to affected property owners. The remaining balance of \$99,581.64 will be paid with budgeted funds.

Action Motion: Unanimously approved Howards Driveway Inc bid of \$140,927.24.

Moved by:	Lunde	Seconded by:	Miller
Vote:	Deiss, Lunde, Miller, Sartell		

Item H – Action Memorandum 23-78: Electrical Department Hybrid Vehicle Purchase

David Evans requests purchase of a hybrid pickup truck for the electrical department with one truck option that falls within budget, a 2024 Maverick estimated to get 42 mpg in town and 34 mpg highway. The purchase and objective are to promote hybrid electric vehicles and Wadena as a public provider of 100% carbon free electricity. Evans plans to wrap the vehicle with marketing material reiterating the point. This vehicle is suitable to haul several people and would be utilized to travel to energy conservation and rebate program trainings and typical daily use. The pickup is estimated at \$39,149, including tax. Delivery is estimated for February.

Action Motion: Unanimously approved purchase of a 2024 Maverick Hybrid pickup at \$39,149.

Moved by:	Miller	Seconded by:	Lunde
Vote:	Deiss, Lunde, Miller, Sartell		

Item I – Action Memorandum 23-79: Library Meeting Room Use Policy

Item missed in the packet to review. Tabled until October's meeting.

Item J – Action Memorandum 23-80: Public Works Director Interim Pay

The wastewater operator position has been advertised and offered to two candidates, both turned down the position. Wadena's wastewater plant cannot operate without someone with Class A licensure.

Public Works Director Dan Kovar has been serving as the license holder in the absence of an operator. His job description does not require this license and the pay rate does not reflect compensation for it either. A request was made for a \$2/hr interim pay. If it were outsourced, it would cost more. The time to serve as interim depends on what license a new recruit holds. For

Class B licenses, an employee must be in a foreman or supervisory position for at least 12 months before testing for Class A. If Class C, the steps, processes, and testing will take even longer.

Action Motion: Unanimously approved interim pay of \$2 per hour to Public Works Director Dan Kovar, effective July 1, 2023, until the Wastewater Foreman position is filled.

Moved by:	Lunde	Seconded by:	Miller
Vote:	Deiss, Lunde, Miller, Sartell		

Item K – Action Memorandum 23-81: Finance Director Position

Finance Director Lloyd Lanz has announced his retirement effective February 29, 2024. Advertising to fill and shadow the position before leaving is requested with an estimated hire date in November or December, beginning of year and some audit processes. Since the shadowing does change the budget, City Council approval to post the job is required. The job description will need to be reviewed and preference will be given to candidates with experience and education in accounting.

Council members were interested in adding a requirement of a bachelor's degree in finance, instead of the current associates. Schroeder will reach out to David Drown & Associates to find out the effect to the pay rate. If significant, the position will remain with associates with point preference for those with a bachelor's degree.

Action Motion: Unanimously approved advertising the Finance Director position along with wage and benefit costs associated with cross training for approx. 3 months.

Moved by:	Lunde	Seconded by:	Sartell
Vote:	Deiss, Lunde, Miller, Sartell		

Item L – Action Memorandum 23-82: David Drown Associates (DDA) Proposal for Job Classification and Compensation Service

It's recommended the city perform a classification and compensation study. Allowing the city to become an attractive employer and adjust wages to retain current employees. Also allowing the city to get to market pay standards.

The city administrator and department heads determined it's not necessary to complete full job description reviews, saving on the overall cost.

Job descriptions will be point valued on the following: Know How, Problem Solving, Accountability, and Working Conditions.

A list of benchmark cities was recommended as follows: Aitkin, Arlington, Barnesville, Breckenridge, Granite Falls, Hawley, Long Prairie, Melrose, Olivia, Park Rapids, Perham and Staples.

DDA provided 5 options from a basic compensation study to full classification and compensation study ranging from \$8,225 to \$24,475.

Action Motion: Unanimously approved hiring David Drown Associates, Option 2 Compensation Study/Market Analysis and Amend and Establish Compensation System, \$12,225.00 along with approval to use the recommended benchmark cities.

Moved by:	Miller	Seconded by:	Lunde
Vote:	Deiss, Lunde, Miller, Sartell		

5. Meeting Open to the Public at 5:48 pm

Lysa Fawber was present to dispute a recent invoice received from the city for removal of public nuisance items located at 725 5th St SW where she currently resides.

She states the city did not follow proper procedures to remove the items and did not notify her as the power of attorney or the registered property owner, Glen Johnson, currently incarcerated. She reported that the value of the items taken was over \$7,000.

Fawber claims City Code of Ordinance 130.08: Public Nuisance and 92.04: Authority to Impound Vehicles were violated.

Council Member Sartell suggested she appeal to the police chief. City Administrator Schroeder and Chief Plautz will work with the resident to review the case.

6. Department Reports

Item A – Public Works Department – Dan Kovar

- Tapley Park playset replacement to arrive in late this month or early October.
- The Park Board met at Folkestad East and discussed options to make the park more appealing.

Item B – Utilities Department - Superintendent David Evans

- The hydrants will be flushed on September 26th and 27th and advertised on the radio station prior to the dates.

Item C - Wadena Development Authority and Planning & Zoning – Dean Uselman

WDA

- Terry Davis was contacted to receive an updated appraisal of the old library building. Davis questioned what portion of the parking lot should be included in the appraisal. Dan Kovars suggestion is to retain east parking and sell south parking.
- Library Director Frethem asked to use library letters from the old building in the new building. Mayor Deiss had suggested that Renee work with the school to see if the kids would like to decorate the letters with a collage to be displayed in the new building.

P & Z

- The new residential development has been designated as Pinewood Estates. The WDA board approved a public open house and ribbon cutting scheduled for October 2nd at 5 p.m. Lots will be available for purchase at that time. All members of the council are welcome.
- Dean Uselman wanted to recognize Mayor Deiss for stepping up and donating his time and equipment to relocate a border fence. He spent a reported 15 hours, conservative, on the project.
- There is a manufacturing business interested in a lot across from Leaf River Ag.

Item D - Police Department – Naomi Plautz

- Homecoming Parade for the Wadena Deer-Creek School is Friday October 6, 2023. @ 2 p.m.

Item E - Fire Department – Cody Yglesias

- Not present.

Item F - Wadena Liquor Store – Tim Booth

- Found contractor to begin brick repair for insurance claim.

Item G - Maslowski Wellness and Research Center – Lisa Anderson

- Not present.

Item H - Whitetail Run Golf Course – Kevin Ross

- Not present.

Item I - City Administrator – Kim Schroeder

- Nothing to report.

Item J – Council Reports

Dan Sartell: Had several inquiries about the pending Greenwood assessment appeal. Questioned if the council should get together with legal representation to get an update and provide direction. Schroeder reported that she and attorney Jeff Pederson have been in contact and working through proposals. Because the appeal is in pending litigation not much can be shared, however, Schroeder also updated that the last proposal from the appealers [attorney] was not acceptable. The city must consider that whatever is agreed to could set precedence for future assessment processes. Council members agreed to schedule a closed special meeting for an update from attorney Pederson and provide potential direction.

Wade Miller: Nothing to report.

Mark Lunde: Airport main hangar lease agreement will be created by City Attorney Jeff Peterson. The lease agreement will be different than the current lease agreements.

Jessie Gibbs: Absent.

Item K – Mayor’s Report – George Deiss

- Salsa Fest and Chili Cookoff are coming up in the next couple weeks.
- Concert Association will be kicking off its concert series in about a week and a half.

Upcoming Meetings

A. October 10, 2023, Regular City Council Meeting

Adjournment

Action Motion: Adjourn at 6:19 p.m., by unanimous vote

Moved by:	Miller	Seconded by:	Sartell
Vote :	Deiss, Lunde, Miller, Sartell		

Kim Schroeder, City Administrator

George Deiss, Mayor