

**WALKER CITY COUNCIL
REGULAR MEETING MINUTES
WALKER FIRE HALL MEETING ROOM
MONDAY, MARCH 5TH, 2018**

CALL TO ORDER –Mayor Shaw

- Mayor Jed Shaw called the regular scheduled meeting to order at 6:00 p.m.
- Pledge of Allegiance
 - Council members present: Moore, Shaw and Wilkening
 - Council members absent: Senenfelder, McMurrin
 - Others present during portions of the meeting included:

Terri Bjorklund, City Administrator
Wayne Tennis, Chief of Police
Neil Lange, Public Works Director
Kristi Carney, Self
Alexis Gardner, Self
Natalee Gardner, Self
Cecelia Gale, Self
Leroy Gale Jr., Self

Pamela Smith, City Employee
Chris Clasen, Justin Clasen&Co.
Josh Carney, Self
Ken Gardner, Self
Bernadette Gardner, Self
LeRoy Gale Sr., Self
Layla Gale, Self

CONSENT AGENDA-Mayor Shaw

M/S Moore/Wilkening to approve the Consent Agenda Items 1 thru 15 as follows, waving the reading.

1. Approve Walker City Council regular meeting minutes of February 5th, 2018.
2. Review and file draft of Walker Planning Commission/Board of Adjustments regular meeting minutes of February 26th, 2018.
3. Review and file December 2017 and January 2018 Zoning Administrator report.
4. Review and file draft of Walker Park Advisory Board minutes of February 27th, 2018.
5. Review and file Public Works Committee minutes of February 28th, 2018.
6. Review and file Walker Police Department Monthly Report.
7. Review and file Walker Area Joint Fire Department Minutes of February 8th, 2018.
8. Review and file NJPA CCOGA Advisory Committee Meeting Agenda of February 15th, 2018.
9. Approve Cash Balance Report as of January 31st, 2018.
10. Approve payment of invoice 345163 in the amount of \$12,450.00 to SEH for Walker Municipal Airport Master Plan with Airport Layout Plan. (17% of 249,000 less previously billed of \$29,880.00)
11. Approve to pay Invoice No. 71727 from Ulteig in the amount of \$2,682.05 for Basic Services for work performed through January 31st, 2018 for Walker-2018 Utility Improvements-CSAH 12 UEI Project No. R17.01996.
12. Approve to pay Invoice No. 71339 from Ulteig in the amount of \$6,140.00 for Traffic Study for work performed through January 31st, 2018 for Walker-Tower Avenue Extension to TH 371 UEI Project No.R17.01152.
13. Consider approval to pay Midstates Equipment & Supply for crack seal in the amount of \$2,408.95.

14. Review and file 2017 Offense Summary Report for the City of Walker.
15. Review and file 2017 Cass County Sheriff's Office 2017 Annual Report.
Motion passed (3-0)

SCHEDULED CITIZEN PRESENTATIONS –Mayor Shaw

- The City Council wishes to recognize the poster contest winners from the MRWA Fourth Grade poster contest.
 - 1st Place, Cecelia Gale
 - 2nd Place, Alexis Gardner
 - 3rd Place, Brooklyn Hanson; not pictured

AUDITOR'S PRESENTATIONS –Mayor Shaw

- Christopher Clasen presentation of the 2017 Audit Report; reading from the Audit findings and results.

During the audit process we found the City's records to be in good order (organized, available, complete, etc.) He noted that Terri and Joanne were well prepared, everything was in order; in numerical order and organized. We appreciate the time the staff took to work with us to complete the engagement. The audit opinions of the financial statements are fairly stated. We have to give two sets of opinions because the City of Walker does not comply with the Generally Accepted Accounting Principles which means it doesn't file as a big City say as like Minneapolis does. This is full accrual where you don't deal with payables and deferred pensions; you don't recognize any of that. What you do file under is the Regulatory Basis of Accounting. State Auditors state that Cities under a population of 2,500 we are going to allow you to do a cash basis roughly of an account; except for your enterprise funds that have to be full accrual because of some debt that we have. It means cash in/cash out what did we budget for and what did we spend. We are allowed to that that because our population is fewer than 2,500. We issued an adverse opinion on US Generally Accepted Accounting Principles and an unmodified (clean) opinion on the Regulatory Basis of Accounting. No compliance issues were noted in our review of laws, regulations, contracts, grant agreements or other matters that could have significant financial implications to the City. As far as Internal Controls as listed in the audit report, preparation of financial statements was noted as a significant deficiency. No Deficiency in internal control was identified as a material weakness. For 2017 the fund balance in the General Fund increased by \$112,167 ending at \$2,239,690 as of December 31, 2017. The ending fund balance at December 31, 2017 for the City represent 168.2% of general fund expenditures and other financing uses incurred for the year and is an important aspect in the City's financial well-being since a healthy fund balance represents things such as cash flow, as a cushion against unanticipated expenditures, funding deficiencies, and aid proration at the state level and similar problems. The Total General Fund receipts on a net basis were \$109,252 (or 8.2%) higher than the budgeted amount in large part due to higher intergovernmental and miscellaneous receipts while total disbursements were \$27,687 (or 2.1%) higher than had been budgeted. As part of any budget update initiated for 2018, the Council will want to take these variances into consideration in order to limit budget differences to every extent possible. We encourage you to undertake mid-year budget reviews

resulting in the adoption of a revised General Fund budget when updated information becomes available. The total of Governmental Funds for cash and equivalents is \$5,895,227. However of that amount only about \$720,000 of that number is what we can spend. The rest of that money has been committed to future projects, debt service or some other form that the City has already committed those funds to go to. In 2016 when you had the Southside Project; you had a reimbursement that came in in 2017. Your management did something very, very smart. The State was playing with the fact that there might be some debt forgiveness in the budget of the State. If you would have submitted any earlier you would have got your money faster. Since you held the money the State passed the debt forgiveness law. So of that \$561,000 that you were reimbursed, you don't have to pay back \$449,000 because of the new State funding. Chris goes on to explain the Statements of Cash Receipts, Disbursements and Changes in Cash Fund Balances, Proprietary Funds and the Supplementary information Section. He explained the Governmental Fund Receipts and Disbursements and Proprietary Funds Receipts and Proprietary Funds Disbursements. Chris explained the significant deficiency in internal controls over financial reporting. He explained that because we outsource the actual preparation and review of audited financial statements vs. doing the preparation ourselves. After speaking with Joanne and Terri we are going to see if we can have the City prepare their own full accrual financial statement and then this will go away. Chris explained that certain offices don't have the capacity to do that but the City staff definitely does. You are very fortunate with the staff you have available you will be able to get rid of this significant deficiency. Chris goes over the Required Communication letter and noted that there were no significant difficulties in dealing with management and found no material journal entries were made that could affect the financial statements. Your staff was very knowledgeable and we had no disagreements; your audit went very well again.

CITY STAFF COMMENTS – Administrator Terri Bjorklund

None.

PERSONNEL, BUDGET & ADMINISTRATION –Councilmember Wilkening

1. **M/S** Wilkening/Moore to approve of Claim #54850 to Claim #54933 including Voided Check Numbers 54849, 54876, 54877 and bank drafts in the amount of \$182,689.75.
Motion passed (3-0)
2. **M/S** Wilkening/Moore to approve to accept the 2017 Audit as presented.
Motion passed (3-0)
3. **M/S** Wilkening/Moore to approve to pay Justin Clasen & Company LTD for the preparation of the 2017 audit in the amount of \$12,450.
Motion passed (3-0)
4. **M/S** Wilkening/Moore to approve not to waive the statutory Tort limits established by MN Statute 466.04
Motion passed (3-0)

5. **M/S Wilkening/Moore** to approve of Resolution 08-2018, a resolution accepting donations made to the City of Walker thru fiscal year 2018.
 Roll Call: Ayes: Moore, Shaw, Wilkening Nays: None
 Absent: Senenfelder, McMurrin
 Motion passed (3-0)
6. **M/S Wilkening/Moore** to approve of Resolution 09-2018, a resolution in support of bonding money for parks and trails.
 Roll Call: Ayes: Moore, Shaw, Wilkening Nays: None
 Absent: Senenfelder, McMurrin
 Motion passed (3-0)
7. **M/S Wilkening/Moore** to approve of the resignation of Nicola Cofer, DMV Clerk; as of February 28th, 2018.
 Motion passed (3-0)
8. **M/S Wilkening/Moore** to approve to advertise and conduct interviews for a full-time DMV Clerk position.
 The Board questions why this keeps reoccurring. Bjorklund explained that it was a lack of people to fill jobs. In the end this came to be a medical situation in her family and she felt it wasn't fair to keep us in limbo. Wilkening asked if any of this is because of MNLARs. Mayor Shaw stressed that it's pay and capable applicants. Bjorklund added that there are people that want the job but don't have the ability to put the sequence together for every little different nuance in that office and there are a lot of them. It takes a different person to want to thrive at that and we haven't seemed to find the right fit.
 Motion passed (3-0)

ECONOMIC DEVELOPMENT/LIQUOR STORE/AIRPORT/LIBRARY –Mayor Shaw

The Library Board did not meet in February due to lack of Quorum.

1. **M/S Shaw/Moore** to approve of Walker Planning Commission/Board of Adjustments Meeting Minutes of December 18th, 2017.
 Motion passed (3-0)
2. **M/S Shaw/Wilkening** to approve of Resolution 10-2018 calling for a public hearing to receive public comment on the proposed adoption of Ordinance 2018-01, an Ordinance adding minimum driveway standards.
 Roll Call: Ayes: Moore, Shaw, Wilkening Nays: None
 Absent: Senenfelder, McMurrin
 Motion passed (3-0)

PARKS /AMBULANCE BOARD–Councilmember Moore

1. **M/S Shaw/Wilkening** to approve of the Walker Park Advisory Board meeting minutes of January 23rd, 2018.
 Motion passed (3-0)
2. **M/S Moore/Wilkening** to approve of the recommendation of the Walker Park Advisory Board for a park use application from Megan McNeill for a wedding using the Middle Park/Middle Pavilion on Saturday June 9th, 2018. Set-up will be at noon; the actual event is from 3:30 a.m. to 5:00 p.m. Clean-up will be 5:00 p.m. to 6:00

p.m. The approximate number of people expected is 150-200. No blocking of public streets, trails or sidewalks will be allowed.

Motion passed (3-0)

3. **M/S Moore/Wilkening** to approve of the recommendation of the Walker Park Advisory Board for a park use application from Walker Community Education for Summer Rec Program using the Upper Park/Lower Park from June 4th, 2018 through June 21st, 2018. The days are Monday through Thursday from 9:00 a.m. to noon.
Motion passed (3-0)
4. **M/S Moore/Wilkening** to approve of the Walker Park Advisory Board's recommendation to appoint Steven Bilben to the Park Advisory Board.
Moore mentions that it was very hard to choose from the group of applicants that they had.
Motion passed (3-0)
5. Review the proposed Ordinance revisions of Chapter 22 Parks and Recreation and Article III Park/City Property Assemblies.
Wilkening stated that he was concerned by the things he didn't see. Such as restrictions of areas that tents can't be set up and duration limits and things of that nature.
Moore questioned if the board wants to set limits of the number of events at the Park. Shaw explained that they may want to limit what types of events can be at the Park and duration of the event at the Park. Moore asked for an example of an event the rest of the board would like eliminated. Wilkening and Shaw clarified that they don't necessarily mean eliminated. Just control the space available and how it gets used. Wilkening states for example big open area of the lower park has been the go-to area for tents; but that restricts regular residential use. Moore stated that with the new wording that would be up to Council. Mayor Shaw states that if you don't have the rules spelled out beforehand then people will look at what you have already approved and if they don't deem your reasons for granting them use to be appropriate despite how we may view it they have case to be made against us; 'you gave it to them, why not us'. Mayor Shaw explained that when the Council makes a decision that seems arbitrary then it puts us in a weak position. Moore questioned if the council was looking to have a certain number of events down at the Park. Mayor Shaw stated that he thinks it would behoove them if they could count the number of permits this summer or we could look at last summer as well. Wilkening spoke about designated areas for personal camping; suggesting possibly the basketball court and up or on the other side of the street. That would leave the main area of the park open. Bjorklund adds that it needs to be clear, clean and concise so that staff can reiterate the wishes of the Council by pointing to a policy or an Ordinance. Staff can do a lot of the groundwork for you so it doesn't become a dispute. Mayor Shaw suggested at the next meeting have a work session with this as an agenda item. Wilkening suggested better defining commercial use and limitations without limiting what the Chamber does or what the 4th of July does or other community events. Shaw suggested having duration guidelines for example if you set up a tent no early than a certain time a given day and must be taken down by 8:00 p.m. the following day. Or make an option for a longer duration of stay if the tent is set up on the other side across the road. Moore suggested that they be stricter when it comes to voting. Shaw stressed that it

was too ambiguous and left it open for lawsuits. Bjorklund suggested addressing this in a work session first and then send back to the Park Advisory Board for consideration.

M/S Moore/Wilkening to approve to have a work session at 5:00 p.m. at the April 2nd, 2018 City Council meeting.

Motion passed (3-0)

6. **Moore motioned** to approve of moving forward to post the proposed Ordinance for public review in accordance with 2017 Minnesota Session Laws Chapter 77 Sub.2 Posting before the final vote of approval at the April 2nd, 2018 Council meeting.

Motion dies due to lack of second

PUBLIC WORKS, SAFETY & CEMETERY – Councilmember Wilkening

1. **M/S Wilkening/Moore** to approve of Resolution 11-2018, a resolution approving plans and specifications and ordering advertisement for bids.

Roll Call: Ayes: Moore, Shaw, Wilkening

Nays: None

Absent: Senenfelder, McMurrin

Motion passed (3-0)

2. **M/S Wilkening/Moore** to approve of the quote from Norms Auto Repair in the amount of \$7,397.39 for repair of Unit 501; the 2015 Ford.

Motion passed (3-0)

OTHER BUSINESS –Mayor Jed Shaw

- City officials are invited to attend the 2018 LMC Legislative Conference March 21-22 in St. Paul MN to be heard alongside hundreds of city officials as you share ideas and city priorities with state leaders during the 2018 Legislative Conference. If you are interested in attending this event please RSVP to Terri Bjorklund ASAP.
- Bjorklund addressed the Council stating that a matter came before the Public Works committee this month. On the west end of Cleveland we have several houses that have frozen. In about 1998 we did a water and sewer project and lowered those pipes. At that time the residents on that block chose not to upgrade their piping from the curbstop to the house and that is what is causing we believe most of the freeze ups on that end of town. One resident believes that she is being charged more than most people are charged for running water. The resident would like the City Council to consider allowing her to pay her average bill until spring when at which time she stated that she would hire an excavator and get those pipes upgraded. The response from public works was that City Staff should move forward following the policy. She had several conversations with Neil, Pam and me. She still believes that she is being treated differently than everybody else. Bjorklund refers to the eighth bullet point on the Prevention of, and Frozen Water & Sewer Lines Policy that states ‘Residents who are provided water from another source will continue to pay for the average water bill for their residence.’ Bjorklund explains the ‘other source’ is a fire hydrant or another source like that; not another home. She finds herself in the bullet point right before that in that ‘Residents that find it necessary to run a trickle of water will be

responsible for the water bill in its entirety, unless the resident is requested by the City to run water.’ Which we do have some situations in the City where we say ‘save our infrastructure, please run water we are not going to charge you for it. Bjorklund points out the spreadsheet and notes the scenarios that are currently happening within the City. Terri stated that the resident was unable to come to the Council today because she was out of State but asked that I bring this to the Council for consideration of alleviating some of the extra of her water and sewer bill. Mayor Shaw questioned on what grounds? Bjorklund answered that the resident believes that she is being treated differently then other people are in the same situation. Terri points what that she believes she is talking about the Schneider and Opheim scenario. Schneiders froze and Opheims are providing water to Schneiders. Opheim is paying their average bill and anything above Opheims average is going to go to Schneider to pay. Mayor Shaw clarified the scenario and questioned again how she was being treated differently. She is the property owner of both the house that froze and the house that is providing the water. She thinks her bill is astronomical compared to everyone else. Lange questioned if she was told about the Schneiders paying their average bill. Terri stated that she has been. Terri added that another one of the residents’ concerns were the house at the end of the block at 718 Cleveland Blvd. Terri explained that they have been trying to get water for 2 weeks. They are hooked to the hydrant; not only is the hydrant servicing that home it is also running water out to the lake just to keep enough water flowing to keep everything open. Terri explained that we will be measuring the amount of water going to the lake and we will be able to tell how many gallons per hour are going to 718 Cleveland and bill them appropriately.

M/S Wilkening/Moore to direct staff to follow our current Ordinance.
Motion passed (3-0)

ADJOURNMENT-Mayor Jed Shaw

Mayor Shaw adjourned the regular scheduled meeting at 6:59 p.m.

Jed Shaw, Mayor

Attest: _____
Terri Bjorklund, Administrator