

**WALKER CITY COUNCIL
REGULAR MEETING MINUTES
WALKER FIRE HALL MEETING ROOM
MONDAY, SEPTEMBER 9, 2019**

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: Hansen, Moore, Senenfelder, Shaw and Wilkening
 - Council members absent:
 - Others present during portions of the meeting included:

Terri Bjorklund, City Administrator	Pamela Smith, City Employee
Dean Morrill, Pilot Independent	Mike Ridlon, Public Works Director
Wayne Tennis, Chief of Police	John Valen, City Attorney
Patrick Bleth, Northern Star Co-Op.	Rachel Sorrentino, Northwest Gas
Brad Box, Northern Star Co-Op/Paul Bunyan Natural Gas	
Mark McKenna, SuperOne	

CONSENT AGENDA-Mayor Shaw

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

1. Approve Walker City Council regular meeting minutes of August 5th, 2019.
2. Review and file draft of Walker Planning Commission/Board of Adjustments regular meeting minutes of August 26th, 2019.
3. Review and file July 2019 Zoning Administrator report.
4. Review Walker Public Library Board meeting minutes of August 21, 2019.
5. Review and file draft of Walker Park Advisory Board meeting minutes of August 27th, 2019.
6. Review and file Walker Police Department Monthly Report.
7. Review and file Public Works Committee meeting minutes of August 29th, 2019.
8. Approve Cash Balance Report as of July 31st, 2019.
9. Review and file state-certified level of library support for 2020 in the amount of \$16,981.
10. Approve to renew membership and to pay Invoice 297690 in the amount of \$1,139 for membership dues for the League of Minnesota Cities for 2019-2020.
11. Review and file Cancellation of General Obligation Note Loan ID number MPFA-97-0068-R-FY00 paid in full.
12. Approve payment of invoice 371304 in the amount of \$15,000 to SEH for Walker Municipal Airport Access Road & Parking Lot Reconstruction Final Design Phase.
13. Approve payment of invoice 371312 in the amount of \$24,900.00 to SEH for Walker Municipal Airport Master Plan with Airport Layout Plan.
14. Review and file Thank You from Leech Lake Area Chamber of Commerce for Walker Bay Days.
15. Approve Proclamation 2019-01, Proclaiming the week of September 17 through 23 as Constitution Week.

Bjorklund explained that number 15 on the agenda was brought forward by a member of the public and requested to be approved at this meeting. She questioned the board if they would like to delete that from the agenda.

Wilkening stated that he does not like special proclamations by the City of Walker. He added that this started in 1952 and various Cities and Municipalities have taken it upon themselves to proclaim this. He states that he is a supporter of the constitution; I just don't think that this should be on City agendas.

Motion passed (5-0)

SCHEDULED CITIZENS PRESENTATION –Mayor Shaw

None.

CITY STAFF COMMENTS – Administrator Terri Bjorklund

None.

PERSONNEL, BUDGET & ADMINISTRATION – Councilmember Senenfelder

1. **M/S Senenfelder/Moore** to approve of Consider approval of Claim #56884 to Claim #57034 including Voided Check Numbers 56939 & 56940 and bank drafts in the amount of \$276,026.35

Motion passed (5-0)

2. **Overview and discussion on the proposed Natural Gas project.**

Rachel is joined by two others that are working to build the natural gas distribution system. One of the first steps is getting a franchise agreement from the City; an agreement with the City that would allow them to construct the distribution system within the City. The purpose for having this on the agenda today is for the board to get familiar with it. They can review our standard terms and have chance to look through and ask questions.

Senenfelder questioned if Northern Star Co-Op currently runs a natural gas system. Brad Box noted that they have been only a propane business and that this would be their first venture into Natural Gas. Box adds that partnering with Northwest Gas; a competitor in the propane business is good and they are excited to work together with this Natural Gas project.

Bjorklund explains that one group is forming the company to bring the big pipe from Cass Lake to North of Walker and Rachel's group will do the distribution line throughout the City and outside to the Casino; that is the reason for two companies on this venture. Bjorklund added that they have worked many years on this and it is actually going to come to fruition. She stated that in the packet you can view the draft franchise agreement which Valen has reviewed and sees no issue with it. There will need to be a council discussion about franchise fees. Does the council wish to ask for franchise fees? She questioned because they just received these documents that more review time is needed possibly by public works and budget and finance. She stated that there are examples of franchise agreements from Pequot Lakes and Pine River. We currently have franchise agreements with Arvig, MN Power and other one. And we charge franchise fees on one of those three.

Wilkening stated that moving forward he would like to take a look at their investment costs within the City; the value of the investment that you would be taxed on. He

added that as they move forward that would help guide them with franchise fees. Wilkening looked at natural gas rates in the City of Bemidji and Pequot Lakes and the City of Walker is going to be very competitive.

Senenfelder stated that he liked the structure of the franchise agreement the City of Pequot Lakes has, he added that he isn't sure why the City of Pine River is considerable higher for everything outside of residential.

Shaw questioned if they had any administrative responsibilities.

Wilkening stated that in the packet it talks about a joint powers agreement for rate setting; our Council will have to organize a rate board and possibly with other members from the City.

Rachel states that the Council may administer that however they choose; it can be just members of the City Council that is the rate board.

Rachel added that they agree on a maximum rate of return for our company. She added that the franchise fees would be pass through cost and that would come back to the customers.

The board agrees that Public Works Committee should review this.

3. **Staff direction on the Natural gas project.**

Bjorklund questioned if there was any more review or research they would like done prior to public works.

Senenfelder questioned what the timeline is.

Rachel stated that construction would happen next summer and service by next construction season.

Bjorklund questioned on the cost per foot for residential areas and if there is an estimated cost. For example if someone brought the service to their residence and also would like to heat a garage would there be an extra cost associated with that.

Rachel stated that they would not charge extra to extend the service. She added that she doesn't not have an estimated cost for that but wants to say it is about five dollars a foot; it really depends on the pipe size and the nature of construction, if it is bored in or trenched in will make a difference on cost.

Wilkening questioned if it had detector line.

Rachel stated it did.

4. **Overview and discussion on the proposed 2020 preliminary budget.**

Wilkening stated that page one is your breakdown of all fund accounts. He points out the biggest expenses in the City are Police, Parks, Streets and Library. We do a lot of things in the City which aren't in the township. We have done a good job at managing our money. Fund balances from using good judgement in purchasing are gradually going up. We have extra reserves from planning ahead, i.e. future trail maintenance, future equipment maintenance. One of the biggest things we will be looking at is additional personnel costs because of job shadowing or training because of our Administrator plans on leaving next year. The staff has done a really good job of controlling costs and we are almost down to inflation and increases of wages.

Wilkening added that a lot of cities and township and counties are at 5% to 9%, we are doing well and are fortunate enough to have good reserves.

Senenfelder stated that the fact that we can get this down to 2% or less; staff has done very well.

5. **M/S Senenfelder/Moore** to approve of Resolution 36-2019, a resolution adopting 2020 preliminary budget and tax levy and certifying the truth-in-taxation meetings on December 2, 2019 at 6:00 pm.
Roll Call: Ayes: Hansen, Moore, Senenfelder, Shaw, Wilkening Nays: None
Motion passed (5-0)
6. **M/S Senenfelder/Wilkening** to approve of the \$74,241.00 Liquor Store Profit Allocation for distribution as described in Exhibit 2018-A, and approving the transfers of those funds.
Motion passed (5-0)
7. **M/S Senenfelder/Moore** to approve to transfer funds in the amount of \$68,324.69 from 501 Local Sales Tax Fund and \$68,324.69 from 500 Streets Capitol Projects Fund to Fund 504 2018 CSAH 12 project to pay for the City's portion of the project. Senenfelder stressed that this is the first time we have pulled from the local sales tax fund; this benefits the entire city.
Wilkening stated that this is not adding to the levy at all.
Motion passed (5-0)
8. **M/S Senenfelder/Hansen** to approve of Resolution 35-2019, a resolution accepting donations made to the City of Walker thru fiscal year 2019.
Roll Call: Ayes: Hansen, Moore, Senenfelder, Shaw, Wilkening Nays: None
Motion passed (5-0)
9. **M/S Senenfelder/Wilkening** to approve of the following donation distributions \$1,200 to the Walker Park Bench Cement pad, \$2,500 to the Library Building Fund, and \$920 to the Library Summer Reading Program.
Motion passed (5-0)
10. **M/S Senenfelder/Moore** to approve of the request from the Accounting Department to transfer \$35,000 from fund 871 DMV checking account to Fund 201 Airport checking account. (This was approved in the 2019 budget)
Motion passed (5-0)
11. **M/S Senenfelder/Moore** to approve of the request to send Officer Baker to a Towards Zero Deaths Conference in St. Cloud October 22nd-24th, 2019; at a cost of mileage, meals and wages. (The room as to be paid for but will be partially covered by the grant after reimbursement)
Motion passed (5-0)
12. **M/S Senenfelder/Moore** to approve to move forward working out an agreement with HYTEC Construction for the design build project of the Trail Head Restrooms to be located in the east side of Fifth street Parking Green. This build would be coordinated with any 2020 projects.
Motion passed (5-0)
13. **M/S Senenfelder/Moore** to approve of the Administrator moving forward with requesting grant funds for the Trail Head Restroom Project.
Bjorklund notes that in the packet is a conceptual design. She added that she would like to see some longer thin windows for light and air circulation.
She stressed that if the board had anything else they would like to see added now would be the time for their input.
Shaw added that he liked the family restroom with a changing station.

Bjorklund added that they are designed to be able to use in the winter; however that is something they will have to decide later if that is something they would consider keeping them open year round.

Motion passed (5-0)

**ECONOMIC DEVELOPMENT/LIQUOR STORE/AIRPORT/LIBRARY –
Councilmember Hansen**

1. **M/S Hansen/Moore** to approve of Walker Planning Commission/Board of Adjustments meeting minutes of July 29th, 2019.
Motion passed (5-0)
2. **M/S Hansen/Moore** to approve of Walker Public Library Board minutes of July 17th, 2019.
Motion passed (5-0)

PARKS/AMBULANCE BOARD–Councilmember Moore

1. **M/S Moore/Senenfelder** to approve of Walker Park Advisory Board to approve Minutes of July 23, 2019.
Motion passed (5-0)

PUBLIC WORKS, SAFETY & CEMETERY – Councilmember Wilkening

1. **M/S Wilkening/Senenfelder** to approve of the recommendation from the Public Works Committee to hire First Systems Technology to complete annual calibrations on the water plant and lift station flow meters at an estimated cost of \$2,200.
Motion passed (5-0)
2. **M/S Wilkening/Moore** to approve of the recommendation from the Public Works Committee to enter into an agreement with KLM Engineering for repair of the drain valve and overflow pipe in Tower #1 at a cost of \$11,392.00
Motion passed (5-0)
3. **M/S Wilkening/Senenfelder** to approve the recommendation from the Public Works Committee to enter into an agreement with KLM Engineering for a 12 year cleaning and inspection contract for both water towers, starting in 2023 and ending in 2031 at a cost of \$850.00/year/tower or a total cost of \$20,400.
Wilkening explained that this breaks it down into annual payments and puts it on autopilot for inspections.
Senenfelder questioned if this is something they have not been doing.
Wilkening replied that they have been doing the inspections. Ridlon stated that they recommend doing it every three to five years; however after finding the amount of sediment in Tower #1 they recommended every three years and then see where we are at after the first three year interval.
Motion passed (5-0)

4. **M/S Wilkening/Senenfelder** to approve of the recommendation from the Public Works Committee to enter into an agreement with KLM Engineering for installation of a Grid-Bee mixer in Water Tower #1 at a cost of \$12,200.
 Wilkening explained that this prevents stratification of the water. It is pump that causes the water to cycle and keep your average water age the same, in the winter it will help minimize icing.
 Motion passed (5-0)
5. **M/S Wilkening/Senenfelder** to approve of the recommendation from the Public Works Committee to approve the quote from Electric Pump for installation of a new impeller at the Lower Lift Pump in the amount of \$5,700.
 Motion passed (5-0)
6. **M/S Wilkening/Senenfelder** to approve of the recommendation from the Public Works Committee to approve West Side Auto's quote in the amount of \$3,611.42 to repair the transmission in the 2003 Ford 1 Ton public works truck.
 Motion passed (5-0)
7. **M/S Wilkening/Moore** to approve of the Street Closure request from the Chase on the Lake to close 5th Street N and to place a 49x98 tent at the bottom of 5th Street N with the following conditions:
 1. Allowing for public passage areas around tent
 2. The tent being secured without any damages to the street or public property
 3. Copy of the current caterers permit on file at City Hall
 4. Porta-John and trash/dumpster plan
 5. Certificate of insurance naming the City of Walker as additionally insured.
 6. Coordination with Public Works for barricades at the top of 5th and Cleveland allowing for vehicle passage for residents/guest
 Motion passed (5-0)
8. Discussion and possible action on the North Side Project.
 Bjorklund stated that at the time these went for print she was unsure if at the time they wanted to call for a preliminary public hearing at the October meeting. Instead we are going to work through this project and look at the financials in public works. We will mostly likely be asking the Council to call for a public hearing at the November council meeting. Wilkening added that will give them some time to bring it back to budget and finance to discuss the use of sales tax dollars. Bjorklund further explains that in the packet they have the total estimated cost of the project breakdown and what is PFA eligible. We will not know about PFA funding until the legislature passing a bonding bill in 2020; if they don't pass a bonding bill then we will be short on our PFA funding because there is not enough in the coffers that we qualify for. That is what happened in the Southside project; we qualified for more than what is in coffers and the bonding bill was not passed.
 Wilkening stated that this time around we have money in the drinking water fund that is substantially greater than we had last time.
 Bjorklund explains that the bids have to come in before we have a guarantee. We are also working with Cass County on the Storm Water portion and it looks like they may partner with us on some of the Storm Water costs.

OTHER BUSINESS –Mayor Shaw

- The Evergreen Cemetery will be conducting clean-up of the Cemetery grounds after September 15, 2019. Cemetery personnel will be removing items from graves, including fresh and artificial flowers. Please remove any items you wish to save prior to September 15, 2019.

The Council requests that staff send something to the paper for a public service announcement.

- The public is invited to attend the September 11th observation on the north lawn of the Court House on Wednesday September 11th, 2019 at 9:00 a.m.
- The Cass County Economic Development Corporation annual meeting is on Thursday October 3, 2019 at the Leech Lake Event Center; the cost is \$30 per person. Council members wishing to attend please let Terri know by 9-20-19.

Wilkening questioned if there is any update on unity day.

Bjorklund stated that the base for the statue is in.

ADJOURNMENT-Mayor Jed Shaw

Mayor Shaw adjourns the meeting at 6:39 p.m.

Jed Shaw, Mayor

Attest: _____
Terri Bjorklund, Administrator