

## **Dawson City Council Minutes**

**March 7, 2017**

**5:30 p.m.**

The Dawson City Council met in regular session on Tuesday, March 7, 2017, at 5:30 p.m. in the City Council Chambers.

Councilpersons present: Steve Tufto, Becky Bothun, Jeff Olson, and Dave Lien.

Councilpersons absent: Al Tufto and Charlie Prestholdt.

Others present: Mayor Randy Tensen, City Manager Tami Schuelke-Sampson, City Clerk Treasurer Kristi Kvaal, Payroll/Utility Billing Clerk Jill Kemen, City Attorney Rick Stulz, Dawson Sentinel Editor Dave Hickey, Liquor Store Manager Garney Jager, Jerry Thompson, Dan Lee, Mark Berglund and LeRoy Mamer.

Declaring a quorum, Mayor 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 Lien seconded by Councilwoman Bothun to approve the agenda with no changes. Voting in favor: S. Tufto, Bothun, Olson, and Lien; voting against: none; absent: A. Tufto and Prestholdt. Motion carries.

On motion by Councilman Olson seconded by Councilman S. Tufto to approve the Consent Agenda Items #4 and #14, Approval of the February 21<sup>st</sup> Council Meeting Minutes and the February Bills Paid. Voting in favor: S. Tufto, Bothun, Olson, and Lien; voting against: none; absent: A. Tufto and Prestholdt. Motion carries.

Mayor Tensen opened the 10 minute public forum. Mark Berglund was present to request the approval of the 3.2 Beer License for the Cerro Gordo Softball Team for Riverfest. Hearing no further comments, Mayor Tensen closed the public forum.

On motion by Councilman Olson seconded by Councilman S. Tufto to approve Cerro Gordo Softball Team 3.2 Beer License for Riverfest. Voting in favor: S. Tufto, Bothun, Olson, and Lien; voting against: none; absent: A. Tufto and Prestholdt. Motion carries.

Jerry Thompson, representing the Dawson Baseball Association, was present, along with Dan Lee, to request funding from the City for the construction of a new concession stand building at Nelson Field. Jerry stated that they have met with Dawson-Boyd Superintendent Tappe to discuss the possibility of the school district contributing to the project also. Tappe recommended that they appear before the school board at their next meeting with their request. They estimate the total cost to be approximately \$10,000, which would not include the cost to move water and

sewer to allow for hook up. They are asking for a one-third share of the cost between the City, school and Baseball Association. Dan Lee stated that any additional costs would be covered by the Baseball Association, and that they would not ask for additional funding if the project went over budget. Councilman Olson asked Tami about the availability of money to help fund this project. Tami stated that there is \$3,500 budgeted toward repair and maintenance for the baseball field area. Mayor Tensen asked if there would be any fund raising associated with this project, to which Lee replied no, not if funding could be generated through other sources. On motion by Councilman Olson seconded by Councilman S. Tufto to contribute \$3,500 to the concession stand project, provided the school district pledges the same amount.

Liquor Store Manager Garney Jager addressed the Council and stated that he felt the project was a great addition to the City and suggested that the Liquor Store make the contribution from the City. He explained that the Liquor Store has been making money and was able to put approximately \$10,000 in the bank in 2016, and \$30,000 over the past three years. Councilman Olson recommended waiting until all costs and estimates were received. Lee asked if the \$3,500 contribution would come from the Liquor Store. Councilman Olson responded by stating that the Liquor Store could contribute that amount, and then look at the cost of adding an extension to the water and sewer line. Lee stated that he anticipates the help of several volunteers to assist with the actual construction. He went on to comment that the people of this community are very good to support these types of projects. Councilman Olson amended his previous motion to state that the \$3,500 contribution from the City would be donated from the Liquor Store. Motion was seconded by Councilman S. Tufto. Voting in favor: S. Tufto, Bothun, Olson, and Lien; voting against: none; absent: A. Tufto and Prestholdt. Motion carries.

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

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

Mayor Tensen asked if the City staff had heard any complaints regarding the new Water/Sewer base rate changes. Payroll/Utility Billing Clerk Jill Kemen stated that she had heard from a concerned citizen on Pine Street that it was difficult for those citizens on fixed incomes to afford the increase. LeRoy Mamer asked why the rates had jumped so much, especially with the City currently in talks to sell water to Lincoln Pipestone Rural Water. He asked why the City was charging approximately \$6 per 1,000 gallons to residents, while at the same time charging LPRW considerably less. Councilman S. Tufto stated that he had heard the same feedback from residents. Tufto stated that when AGP dug their own wells and started to phase out in 2015, the City lost approximately \$60,000 - \$80,000 in revenue. In addition, the Wastewater Treatment

Plant was built to accommodate the capacity needed by AGP to process large amounts of water. Tami explained that LPRW will be investing \$1,000,000 of their own money to connect to the City's water supply and will maintain all of their own system. Mamer asked how the City ended up with a \$66,000 loss since the water/sewer fund is a budgeted item. Tami stated that the rates were based on the previous year's numbers, and at that time AGP was using considerably more water. Councilman Olson stated that basically the City lost 130,000 gallons/day in revenue when AGP dug their own wells. He also stated that the City will now begin billing in 100 gallon increments, which should help make the revenue figures more consistent month to month. With regard to the lower rate charged to LPRW, he pointed out that the City is still selling water to commercial higher use accounts at a reduced rate for high volume. He added that with the addition of LPRW, the whole town should see the benefits, and perhaps rates could lower in the future based on the amount of revenue generated. Discussion. Mayor Tensen pointed out that even with the rate increases, the City of Dawson is still lower than most surrounding communities. On motion by Councilman Olson seconded by Councilman Lien to approve the Second Reading for the Water/Sewer Change. Voting in favor: S. Tufto, Bothun, Olson, and Lien; voting against: none; absent: A. Tufto and Prestholdt. Motion carries.

On motion by Councilman Lien seconded by Councilwoman Bothun to approve the Official Summary of the Water/Sewer Amendment. Voting in favor: S. Tufto, Bothun, Olson, and Lien; voting against: none; absent: A. Tufto and Prestholdt. Motion carries. Tami explained that the Official Summary is used for publication in the local newspaper instead of printing the entire ordinance.

The Park Board Committee Minutes were reviewed. Mayor Tensen explained that it was decided to keep the campground and swimming rates the same as last year, and use the current rates for the five additional campsites in Veterans Park. Tami stated that it was decided to change the requirements for Pool Manager to include lifeguard, WSI and CPR certification. An additional part-time person will be hired in the Maintenance Department for the summer to help with additional projects.

The LQP EDA Operations Reports were presented. No action required.

Interim City Manager Tami Schuelke-Sampson's Report:

1. EDA Report: Tami reported that the EDA has approved contributing \$2,500 towards the potential development of Riverview Estates for design and research. The DDC will also contribute \$2,500. Pamela Ellison of the LQP County EDA stated that they may contribute as well.
2. The City is still waiting for the interior schematic design to apply for the Heritage Grant from the Historical Society.
3. The rent for Heritage Court residents will increase \$10/month effective 7-1-17.

4. The old bank building on Sixth Street is being remodeled and refurbished and brick work has started. A local resident is undertaking a large portion of the funding for the project, with plans for a museum and possibly two offices. Discussion.
5. Amanda from DSI has informed Tami that additional interest forms were sent out in the current target area and expanded to include one block north and one block east. Due to interest received from the possible expansion, DEED will be contacted on the possibility of expanding the target area to include these additional interested parties.
6. Tami referred the Council to the upcoming Safety & Loss Control Workshops and several Events & Training conferences offered by the League of Minnesota Cities. Council members should contact City Office if they are interested in attending.
7. Tami will be out of the office March 14-17 at the Minnesota Clerks and Finance Officers Association Conference. She will be certified as a Minnesota Certified Municipal Clerk, having completed three years of institute training and additional requirements.

On motion by Councilman Lien seconded by Councilwoman Bothun to adjourn the meeting. Motion carries and the meeting adjourned at 6:02 p.m.

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City Clerk Treasurer Kristi Kvaal

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Mayor Randy Tensen