

APPROVED MINUTES  
WATKINS CITY COUNCIL  
THURSDAY, SEPTEMBER 14, 2023

Mayor Rowan called the regular meeting to order at 7 p.m.

MEMBERS PRESENT: Mayor Chris Rowan, Tootz Tschumperlin, Sue Unterberger, Marc Wirz, Brenda Carlson

MEMBERS ABSENT: None

Others: Jody Bauer, Heidi Donnay, Bonnie Holthaus, Shawny Kramer, Wayne Lindberg, Deputy Sandstrom, Mark Osendorf, Matt Langan, Randy Fordice, Kent Louwagie, Andy Donnay, Public Works Director Steve Geislinger, Clerk Deb Kramer

MOTION BY TSCHUMPERLIN TO APPROVE THE AGENDA, SECONDED BY CARLSON. MOTION CARRIED.

MOTION BY UNTERBERGER TO APPROVE THE CONSENT AGENDA, SECONDED BY CARLSON. MOTION CARRIED.

Items on the Consent Agenda were minutes of August 10<sup>th</sup> public hearing and regular meeting and August 30<sup>th</sup> special meeting, August financial report, delinquent water bills for shut off.

Public Forum – none.

MOTION BY UNTERBERGER TO APPROVE PAYMENT OF THE AMBULANCE BILLS AS PRESENTED, SECONDED BY TSCHUMPERLIN. MOTION CARRIED.

Chris Lease from the Red Goat Bar requested to close off the Central Business District block for the annual Pub Crawl on October 28<sup>th</sup>. They would like to incorporate something for families, possibly a Trunk or Treat or costume party and would like to start a little earlier than the normal 5 p.m. They will have a couple of food trucks and sober buses.

MOTION BY CARLSON TO CLOSE OFF THE CENTRAL BUSINESS DISTRICT BLOCK ON OCTOBER 28<sup>TH</sup> FROM 4 P.M. TO 2 A.M. FOR THE PUB CRAWL, SECONDED BY WIRZ. MOTION CARRIED.

Randy Fordice, Matt Langan and Mark Osendorf with Xcel Energy gave an update on the proposed transmission line that could affect Watkins. This will not run directly through the city. It would run through a surrounding township. This line would deliver wind power from southwest Minnesota to the grid system in Becker. Xcel asked for feedback before going to the Public Utilities Commission (PUC) and has received a lot of feedback from this area. Xcel needs to file two routes with the PUC. The PUC will then hold several public comment meetings. The meetings will be held in the project areas and notices will be mailed. Xcel expects the PUC to approve one of the routes by the end of 2024 or early 2025. Xcel must acquire a 150' right-of-way – 75' on either side of centerline. The poles are 140' high and built on a concrete foundation that is 7' to 10' in diameter. Land could still be farmed; they would need to work around the foundation. Xcel would need to buy a one-time easement from land owners. Xcel would need to compensate for any crop damage. The proposed south route would run about ½ mile south of Highway 55 around the city. The proposed north route would be north of the Meeker-Stearns county line. Xcel has to go around any federal and state properties.

City Engineer Kent Louwagie reported there was a pre-construction meeting held for the lift station project. Construction is planned to begin in October, constructing the new lift station structures and sanitary sewer and forcemain piping on the lift station site. Replacing the air relief valves and rehabbing the wastewater pond control structure is also planned for this fall. Demolition of the old building and buried structures at the lift station site may also be completed this fall. The remaining work will likely occur in the summer of 2024. The backup generator for the lift station has a lead time of more than 40 weeks, so delivery is not expected until July 2024. The new lift station should be fully operational around next August.

PFA funding for the lift station project was reviewed. Kramer suggested to use \$100,000 of Sewer Utility Replacement Funds between 2023 and 2024 to help cover expenses and approximately \$140,000 from the Sewer Fund. Rates are proposed to increase 2% annually, or as needed to ensure revenues are sufficient to pay for system expenses, including debt service and operations/maintenance. PFA would also allow the city to structure the debt service to pay interest only on the lift station project until the 2004 pond expansion debt service is paid off in 2025. The estimated interest rate for PFA funds is 2%.

Resolution No. 2023-26, A Resolution Committing to Certain Financial Obligations for the Sewer System in Conjunction with Federal and State Funding for the 2023 Lift Station Improvement Project, was presented to the council for adoption.

MOTION BY CARLSON TO ADOPT RESOLUTION NO. 2023-26, A RESOLUTION COMMITTING TO CERTAIN FINANCIAL OBLIGATIONS FOR THE SEWER SYSTEM IN CONJUNCTION WITH FEDERAL AND STATE FUNDING FOR THE 2023 LIFT STATION IMPROVEMENT PROJECT, SECONDED BY TSCHUMPERLIN. MOTION CARRIED.

Deputy Sandstrom reviewed the August Sheriff's report. He noted there have been some dog complaints. He has talked to the owner of an aggressive dog that reaches the sidewalk on its leash. Golf cart registrations are being checked and they are only allowed to be used from sunrise to sunset. He has spoken with juveniles and parents about the ATV complaints. Warnings have been given along with two citations. Rules books are being distributed to educate the ATV drivers. Council noted things have improved with the ATVs. Sandstrom also noted there has been a string of vehicle thefts in the county.

MOTION BY WIRZ TO ACCEPT THE SHERIFF'S REPORT, SECONDED BY UNTERBERGER. MOTION CARRIED.

Kramer noted Meeker County is holding a meeting regarding cannabis use in public spaces October 12<sup>th</sup>. The county may be adopting an ordinance county-wide regulating it. Council agreed to wait and see what Meeker County presents before taking any action.

Fall newsletter – winter parking regulations haven't been changed at this time. It was noted a recreational fire is no more than 3' x 3' x 3'. Wayne Lindberg asked about burning pine branches and calling it a recreational fire. He noted this happened in his neighborhood and it smoked up the whole north end of town. Wayne called the Sheriff's Office but the deputy that responded didn't do anything about it. Deputy Sandstrom noted the call wasn't handled appropriately by the Sheriff's Office and the resident should have been cited. Mayor Rowan asked to include cats in the sixth sentence in the section on Pets. Sandstrom noted the Sheriff's Office will not trap cats any more.

MOTION BY CARLSON TO APPROVE THE FALL NEWSLETTER WITH THE CHANGE, SECONDED BY UNTERBERGER. MOTION CARRIED.

Council denied membership to the Coalition of Greater MN Cities.

Council reviewed the TIF Development Agreement by and between the City of Watkins and Watkins Townhomes L.L.C., regarding Tax Increment Financing District (Housing) No. 9-1 (Glenshire Townhomes Project).

MOTION BY WIRZ TO APPROVE THE TIF DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF WATKINS AND WATKINS TOWNHOMES L.L.C., SECONDED BY CARLSON. MOTION CARRIED.

MOTION BY UNTERBERGER TO ADOPT RESOLUTION NO. 2023-27, RESOLUTION AUTHORIZING EXECUTION OF A DEVELOPMENT AGREEMENT AND APPROVING THE TERMS OF AN INTERFUND LOAN, SECONDED BY TSCHUMPERLIN. MOTION CARRIED.

MOTION BY CARLSON TO APPROVE THE WATKINS LIONS CLUB REQUEST FOR A TEMPORARY ON-SALE LIQUOR LICENSE FOR A PURSE BINGO EVENT AT ST. ANTHONY PARISH CENTER NOVEMBER 4, 2023, SECONDED BY TSCHUMPERLIN. MOTION CARRIED.

MOTION BY TSCHUMPERLIN TO ADOPT RESOLUTION NO. 2023-28, RESOLUTION APPROVING OFF SITE GAMBLING PERMIT FOR WATKINS LIONS CLUB FOR NOVEMBER 4<sup>TH</sup> EVENT AT ST. ANTHONY PARISH CENTER, SECONDED BY WIRZ. MOTION CARRIED.

The State of MN distributed VOTER funds to all counties in MN. Meeker County purchases the voting equipment used by the city and prepares the ballots, etc. Watkins has the option of allowing Meeker County to retain Watkins' share of funds (\$65) to be used for purchasing voting equipment, etc. Council agreed to let Meeker County retain the funds.

MOTION BY WIRZ TO ADOPT RESOLUTION NO. 2023-29, RESOLUTION APPROVING VOTING OPERATIONS, TECHNOLOGY, & ELECTION RESOURCES (VOTER) ACCOUNT AGREEMENT, SECONDED BY CARLSON. MOTION CARRIED.

Property issues – A notice has been posted at 130 Cedar Avenue North about cleaning up the property. The deadline to abate the nuisance is September 21, 2023.

MOTION BY WIRZ TO APPROVE THE SECOND NOTICE BE SENT IF NOT ABATED BY SEPTEMBER 21, 2023, SECONDED BY CARLSON. MOTION CARRIED.

209 2<sup>nd</sup> Street North – The city received a complaint regarding the vehicles parked outside, oil storage, weeds and dogs barking. Andy and Heidi Donnay now reside at the property. They noted it's natural for their dogs to bark when people come. The oil storage has been approved by the EPA. There are some weeds on the east side of the property. Donnay's noted when they moved in, that area was grown up with trees. They noted they have tabs for the trucks outside but don't have them on yet. Council noted the more orderly and straightened up they can keep the property, the better. No permit is needed to clear out the brush and stumps on the east side of the property.

511 2<sup>nd</sup> St S – Property has campers and trailers parked in the front yard and on grass. Council advised to send a letter to the owner with a copy of the ordinance asking them to review it and make sure they are in compliance with the ordinance.

Kramer noted another complaint was filed regarding 261 Central Avenue South. Council advised to send a letter with the new ordinances as this needs to be addressed. The city has been dealing with this property for several years.

Council discussed offering medical insurance to employees. There needs to be a minimum of 2 eligible employees to get coverage. Discussion followed.

MOTION BY UNTERBERGER TO OFFER HEALTH BENEFITS FOR THE CITY WITH THE CITY PAYING 90% OF THE EMPLOYEE PREMIUM AND 50% OF THE FAMILY PREMIUM, NO HSA CONTRIBUTION, SECONDED BY CARLSON. MOTION CARRIED.

Council reviewed the 2024 proposed levy and budget. Projected disbursements for 2024 are \$781,618. Once the proposed levy is set, it cannot be increased, only decreased. CenterPoint Energy went to tax court over its valuations and their values were lowered, causing the amount of taxes they owed to decrease. The city's November tax settlement will be reduced by over \$30,000 for this abatement to CenterPoint Energy. Council agreed to set the preliminary levy to include an abatement levy to recover this reduction in taxes.

MOTION BY WIRZ TO ADOPT RESOLUTION NO. 2023-30, RESOLUTION ADOPTING 2024 PROPOSED LEVY OF \$562,000.00, SECONDED BY UNTERBERGER. MOTION CARRIED.

MOTION BY UNTERBERGER TO ADOPT RESOLUTION NO. 2023-31, RESOLUTION ADOPTING 2024 PROPOSED BUDGET, SECONDED BY CARLSON. MOTION CARRIED.

MOTION BY CARLSON TO HOLD THE TRUTH IN TAXATION MEETING THURSDAY, DECEMBER 14<sup>TH</sup> AT 7:10 P.M. AT CITY HALL, SECONDED BY TSCHUMPERLIN. MOTION CARRIED.

The Mobile Home Park has been doing work to clear brush, grass and garbage. There are still some trailers that should be removed. The owner has not followed up with the city on this matter.

MOTION BY WIRZ TO APPROVE THE PURCHASE OF CERTIFICATES OF DEPOSITS FOR THE TERM OF NINE MONTHS AT A RATE OF 5.09% AT CITIZENS BANK MN AS FOLLOWS: FIRE HALL CAPITAL PROJECT FUND-\$50,000; WATER UTILITY REPLACEMENT FUND-\$100,000; FIRE EQUIPMENT REPLACEMENT FUND-\$75,000; FIRE PROTECTION EQUIPMENT FUND-\$25,000, SECONDED BY CARLSON. MOTION CARRIED.

The IRS sent a letter in 2021 telling the city to change its withholding deposit schedule to monthly for 2022. The city has recently been notified by the IRS that they sent this letter by mistake and the abatements issued earlier by an IRS agent were done in error. The IRS has now penalized the city in the amount of \$1,945.16 for making late deposits. The city was advised to pay the penalty by the due date to avoid any further penalties and appeal it. If the appeal is granted, the city would get a refund.

MOTION BY CARLSON TO PAY THE PENALTY AND FILE AN APPEAL, SECONDED BY TSCHUMPERLIN. MOTION CARRIED.

Council approved for the Deputy Clerk to attend a clerk's meeting in Paynesville on Sept. 21<sup>st</sup>. The fee is \$20. City Hall will be closed for the day.

Council approved for an RV to be parked at 500 Meeker Avenue North on an improved surface in the side yard.

The School District will be holding a bond referendum November 7th with a polling location at Village Hall. City staff may be working as election judges but it should not affect City Hall office hours.

A resident asked about requiring dog licensing again after a bite incident. Council agreed that licensing wouldn't change anything as most people never licensed their dogs when it was required.

Council denied a request for another 30 MPH speed limit sign in the southbound lane of Central Avenue South.

Council approved to turn a delinquent water bill over to a collection agency if the resident doesn't pay it. The city cannot assess this particular bill to property taxes.

The Chamber and Lions Club are working on potential Christmas decorating ideas in the business district. One idea is for each business that's interested to get a spruce top pot to decorate and set in front of their business and do a contest with a winner. Council agreed to allow the pots from November 18 to January 6 due to snow removal issues.

Public Works Director Geislinger reported someone contacted the city about the old siren, wondering if the city were interested in selling or donating it. The siren is located on the steel roof of the Village Hall. Council agreed it would donate it, but all costs to remove it would be at their expense and they would need to provide a certificate of insurance.

**MOTION BY CARLSON TO DONATE THE SIREN AS LONG AS THE PARTY INCURS ALL COSTS AND IS INSURED, SECONDED BY WIRZ. MOTION CARRIED.**

Council advised Geislinger to get a quote to install a pole for Christmas light stringers on Central Avenue South.

A letter was sent to the contractor who damaged sidewalks panels when removing a house at 175 Meeker Ave S. The deadline is September 21<sup>st</sup>. At this time, there has been no response from the contractor. Council advised Geislinger to get a quote to replace the sidewalk panels and a separate quote to remove the steps in the boulevard at the site. The city attorney will be contacted about sending a letter to the contractor to take care of the damaged sidewalk panels.

On-going drought conditions were discussed. Council agreed that Public Works should act as needed if the DNR puts more stringent restrictions on water use.

**MOTION BY CARLSON TO GIVE PUBLIC WORKS THE AUTHORITY TO TAKE ANY NECESSARY ACTION REQUIRED IF MN DNR MOVES THE CITY INTO A MORE SEVERE DROUGHT PHASE, SECONDED BY TSCHUMPERLIN. MOTION CARRIED.**

No parking on certain streets was discussed. The city attorney has advised this needs to be done by ordinance. The road width of First Street is 26', Church Street is 28', and Meeker Avenue (south of 4<sup>th</sup> Street) is 32'. The city engineer noted that a minimum of 36' is suggested for a residential street. He also noted the city could paint yellow back 20' from a STOP sign. Council will discuss more at the October meeting.

Geislinger presented a couple of prices for a new full-body truck for Public Works. Country Chevrolet in Annandale estimated about \$67,000. Granite City Motor Car in St. Cloud estimated around \$62,000 to \$64,000. The budgeted amount for a new truck was \$60,000.

MOTION BY WIRZ TO APPROVE PURCHASE OF A NEW TRUCK WITHIN BUDGETED AMOUNT, SECONDED BY TSCHUMPERLIN. MOTION CARRIED.

Geislinger noted they are looking for a plow attachment for the loader.

MOTION BY CARLSON TO APPROVE PURCHASE OF PLOW ATTACHMENT WITHIN ALLOWED BUDGET, SECONDED BY UNTERBERGER. MOTION CARRIED.

Wirz noted that the Fire Department turnout gear has a ten-year life and some of it is getting near that date. Replacing some of the turnout gear would be something to consider using some of the one-time public safety funds the city is certified to receive in December.

MOTION BY CARLSON TO APPROVE PAYMENT OF THE BILLS AS PRESENTED, SECONDED BY TSCHUMPERLIN. MOTION CARRIED.

Next regular meeting is Thursday, October 12<sup>th</sup> at 7 p.m.

MOTION BY TSCHUMPERLIN TO ADJOURN THE MEETING, SECONDED BY UNTERBERGER. MOTION CARRIED.

Adjourned at 9:28 p.m.

Submitted by

Deb Kramer  
Clerk

ATTEST:

Chris Rowan, Mayor