



# City of Clarkfield

## Agenda

7:00 PM Regular Council Meeting

Tuesday, August 6, 2019

City Hall Meeting Room

904 10<sup>th</sup> Avenue – Clarkfield, MN 56223

A regular meeting of the City of Clarkfield was called to order by Mayor Hendrickson at 7:00 PM, Tuesday, August 6, 2019, in the City Hall Meeting Room. Councilmembers present: Mayor Hendrickson, Councilmember Fritz, Councilmember Hedman, Councilmember Kaupang, and Councilmember Stringer Jr. Staff present: Amanda Luepke – City Administrator, Troy Bruflat – Public Works Foreman/Director. Also, in attendance: Kari Steinbeisser – Conway, Dueth & Schmiesing, Corey Hawer – LTD Broadband, Mike Jenson – YMC Sheriff Office and city residents.

1. **CALL THE REGULAR COUNCIL MEETING TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **APPROVAL OF AGENDA:** Motion to approve the agenda by Councilmember Fritz, 2<sup>nd</sup> by Councilmember Kaupang. Motion carried with all in favor.
  - a. **Addition to Discussion Item 8D – Broadband Presentation – Corey Hawer, LTD Broadband**
4. **APPROVAL OF MINUTES:** Motion to approve the minutes by Councilmember Stringer Jr, 2<sup>nd</sup> by Councilmember Hedman. Motion carried with all in favor.
  - a. **Consideration to Approve Minutes from Regular Meeting conducted on 7.16.2019**
5. **INVOICES PAYABLE:** Motion to approve the invoices payable by Councilmember Stringer Jr, 2<sup>nd</sup> by Councilmember Kaupang. Motion carried with all in favor.
  - a. **Payment Batch 7.25.2019 Fire Department**
  - b. **Payment Batch 7.25.2019 General Fund**
  - c. **Payment Batch 7.25.2019 Library**
  - d. **Payment Batch 7.31.2019 ACH**
  - e. **Payment Batch 7.31.2019 Fire Department**
  - f. **Payment Batch 7.12.2019 General Fund**
6. **PUBLIC COMMENTS:**
  - a. **Naomi Peterson** approached the city council to thank them. Peterson stated the agenda was not posted on the city's website. Luepke responded that the agenda has been posted and the city is only required to post the agenda on the official city bulletin board which is located outside the city hall meeting room. Peterson seeks an update to the asbestos and the old school. Peterson seeks clarification with the café being city-owned.
7. **REPORTS OF COMMITTEES AND CITY STAFF**
  - a. **Mayor's Report:** Mayor Hendrickson reported that the Midco presentation that was mentioned at the last council meeting has been provided to the council in the agenda packet. Hendrickson also reported that Troy Bruflat and himself attended the CodeRed training hosted by Yellow Medicine County. Hendrickson will provide the information to Luepke to include in the next council agenda packet. Information will also be placed in the newsletter. Hendrickson reported that he will be attending a roundtable discussion hosted by Senator Tina Smith in Granite Falls, MN.
  - b. **Councilmember's Report:** Councilmember Stringer Jr reported that the old school taskforce met with IEA, Inc regarding the asbestos report. IEA, Inc took additional samples in the old school building. There was more asbestos than anticipated. The ordinance committee also met and discussed junk cars and cleaning up residential lots. Councilmember Fritz gave an update regarding the public meeting the EDA hosted about the café. The update included that the EDA does not nor have the authority to own and operate a café. The EDA hosted the public meeting to communicate this to the community in hopes to

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ban together for a solution. The meeting was positive, and the EDA is researching all options. Councilmember Hedman reported that she attended the old school taskforce meeting and the project is moving forward. Hedman also attended the public meeting for the café and reported it was positive and agrees the EDA is looking at all solutions.

- c. **YMC Sherriff Report – Mike Jensen, Deputy Sherriff:** Deputy Jensen approached the council with his report. The council asked for clarification on different codes in the report.
- d. **Public Works Report – Troy Bruflat, Public Works Foreman/Director:** Bruflat approached the council regarding the public works department. Bruflat reported that Cardinal Days went well. It was reported that under normal operation the ponds do not discharge water in the summer months. Due to high water levels, we notified the MPCA and discharged from Pond #4 during the month of July. The department cut down and trimmed trees in Crist Park, Valhalla Park and North Park. The department has shown interested in investing in a skid loader. We should consider trading in the John Deere 1575 for a skid loader. Bruflat will bring quotes in a future meeting for further discussion. There was an issue bought to the public works department regarding the storm sewer on 10<sup>th</sup> Street because the drain tile drains slow. The department flushed it out but is uncertain it opened the drain. Bruflat reached out to the Bollig Inc and this issue can be addressed in the infrastructure project. The city rented a valve exerciser from MN Rural Water, so the plan is to work on gate valves August 8<sup>th</sup> through August 16<sup>th</sup>. The council suggested budgeting for another speed sign.
- e. **City Administrator Report – Amanda Luepke, City Administrator:** Luepke addressed the council regarding activities within administration. Luepke stated she will include CodeRed materials in the next council agenda packet. The city office received a formal complaint against the property located at 905 8<sup>th</sup> Street regarding a public nuisance violation. Luepke spoke with the landlord and renter on Thursday, July 25<sup>th</sup> regarding a clean up plan. The renter has removed the items in the complaint from the property. Luepke reported that the swimming pool levy was submitted to Yellow Medicine East school district. Luepke projected that the levy will increase next year due to the pool heater needing to be replaced. Luepke provided an update on the café. The EDA held a special meeting on Wednesday, July 31, 2019 to discuss the café operations as it relates to being City/EDA-owned. The EDA does not nor do they have the authority to own the café, so the EDA needs to find a different solution for the café. There was also a public meeting on Monday, August 5, 2019 to discuss this with the community which was positive. The ordinance committee meeting on July 18, 2019 to discuss ordinances and enforcement. The committee is working on following up with abandon vehicles within city-limits, along with addressing the property located at 505 11<sup>th</sup> Avenue. The committee will also be reviewing the rental inspection process, along with discussing a snow removal emergency route. There are also old houses in the community that could be deemed hazardous and the committee is addressing those. The budget committee will meet in August as department heads are finalizing requests.

## 8. DISCUSSION ITEMS

- a. **Audit Report – Conway, Dueth, and Schmiesing:** Steinbeisser approached the city council to review the 2018 Audited Financials. It was stated that financial statements are the responsibility of the City's management and the auditors are to express opinions on these financial statements based on the audit. The audit is conducted in accordance with Generally Accepted Auditing Standards and Government Auditing Standards. The financial statements are presented fairly in the auditor's opinion of the business-type activities, major funds and aggregate remaining fund information. Steinbeisser went into detail regarding the increased cash and investment due to general fund – care center and the infrastructure project. Liabilities also increased due to capital outlay of the infrastructure project and purchase of the fire truck. As it relates to the General Fund Cash and Investment Balances there is a decrease from 2016, 2017, and 2018 with the purchase of the fire truck, paying off the Care Center bond, and borrowing activities to other funds. The General Fund Revenues were presented and noted that donations decreased in 2018 as in 2017 the city received donations for the daycare and playground at Valhalla Park. The General Fund Expenditures were also presented and noted that General Government saw an increase due to the increase to the ECPN program, Streets and Highway saw a decrease as there was less staff, and Capital Outlay expense was a new plow truck. The Water Fund saw

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a \$21K decrease and should be addressed with the water rates. The Sewer Fund is on track and was noted the fund owes the General Fund \$85K from years ago. It was noted that the City set up two new funds in 2018 – Garbage Fund and Storm Sewer Fund. It was noted that the Café fund lost \$70K and the operations needs to be addressed by the EDA as there is no authority to own a café. It was reported that there is a limited segregation of duties due to the size and resource of the city which also lends to the auditor preparing the financial statements. General Recommendations were made notifying the council that the city has outstanding checks greater than three years, the Report of Outstanding Indebtness is due February 1<sup>st</sup> of each year and reminder the council of the deficit cash and fund balances.

- b. Care Center Audit Report Addendum:** Luepke reported that the position statement from the MN State Auditor has new governmental accounting standard, GASB 75. Based on that guidance, the documentation within the Care Center's audit file for the 9/30/2018 year end was not sufficient as it relates to the liability related to OPEB, health insurance to retirees. The Care Center has a long history of no retiree's participating in the plan and is reasonable to conclude the liability was immaterial with the audit. The calculation was presented to council. The estimate is \$28K but is required in the audit. This will be an action item at the next council meeting.
- c. Care Center Wage Increases:** Justin Boldt approached the council regarding wage increases for the Care Center employees. The proposed scale includes the Minnesota State average for positions in the 25<sup>th</sup> percentile, Median, 75<sup>th</sup> percentile, and weighted averaged. The goal of the increased wage would be to get the Clarkfield Care Center average for each position to be between the 25<sup>th</sup> percentile and Median. The risks and rewards were presented to council. This will be an action item at the next council meeting.
- d. LTD Broadband:** Corey Haver approached the council regarding a wireless internet option for the city. Haver apologized for not having handout materials prepared for the council. There will be materials emailed to the council in the coming weeks which will overview their services and rates to residents. Haver gave an overview of the company and services. They are a small company that offers free internet to city buildings if the city allows the company to place antennas on the water tower. The company offers another competitive option in town.

#### 9. ACTIONS ITEMS

- a. Consideration to Approve Resolution – Minnesota Public Facilities Authority:** Motion to approve by Councilmember Hedman, 2<sup>nd</sup> by Councilmember Fritz. Motion carries with all in favor.
- b. Consideration to Approve Audit Report as presented by Conway, Dueth, and Schmiesing:** Motion to approve the audit as presented by Councilmember Stringer Jr, 2<sup>nd</sup> by Councilmember Kaupang. Motion carries with all in favor.

- 10. ADJOURNMENT:** Motion to adjourn at 8:29 PM by Councilmember Hedman, 2<sup>nd</sup> by Councilmember Kaupang. Motion carried with all in favor.

Respectively Submitted By: Amanda Luepke, City Administrator