



Regular City Council Meeting
Monday, October 23, 2023, at 7:00 pm
Adrian Government Center, Council Chambers, 209 Maine Avenue, Suite 106, Adrian, MN

1. **Call to Order:** Mayor David Edwards called the meeting of the Adrian City Council to order at 7:00 p.m.
2. **Pledge of Allegiance:** The meeting opened with the Pledge of Allegiance.
3. **Roll Call:**

Roll Call indicated the following present:
City Council members present: Dylan Carlberg, Steve Kellen, Tracy Kunkel, Dean Von Holtum and David Edwards
Department Heads: City Administrator/ Clerk- Sheri Platt, Crew Leader- Kendal Kane
Staff: Deputy Clerk- Rita Boltjes, Community Assistant – Sarah Lenz, Police Chief Shawn Langseth
Guests: Resident – Merlyn Inglett, Business Owners – Derek & Candace Swenson, Nobles County Review Representative - Deb Kroon
4. **Dr. Tessia Melvin; DDA Human Resources, Inc**

Dr. Tessia Melvin presented the Compensation Study & Market Analysis that has been completed for the City of Adrian employees. Noting the current chart has new hire and 12 steps which represent merit increases. The council members reviewed the two options that have been suggested by DDA Human Resources, Inc, and the budget impact. After discussion, it is the consensus of the council to have DDA calculate the cost of a 3% increase and merit step increases for employees to be presented at the City Council meeting in November.
5. **Consent Agenda:** Motion made by Kunkel, second by Von Holtum, carried 4/0 to approve the City Finances, Minutes, and Permits/Licenses with Kellen abstaining.
 - Finance**
 - Accounts Payable; October 2023
 - City Finances; September 2023
 - Parr-McKnight; Fire Relief Balance; September 2023
 - Minutes**
 - Council – 9/25/23 Regular
 - Park – 10/16/23
 - Ambulance – 10/02/23
 - Fire Relief Association – 10/04/23
 - Fire – 10/04/23
 - PUC – 10/17/23
 - HRA – 10/18/23
 - Permits / Licenses**
 - Zoning:**
 1. Adrian Methodist Church, 642 Louisiana Ave – Replace Driveway
 2. Joe Kellen, 308 Nevada Ave – Handicap Ramp
 3. Gregg Nelson, 119 Sunrise Circle - Fence
 - Golf Cart:**
 1. Jim & Diane Lutmer, 513 Indiana Ave – Replacement
 - Gambling:**
 1. LG220 Application for Exempt Permit; St Adrian Catholic Church for a raffle to be held on November 25, 2023, at the Adrian High School – Tillie Heitkamp Benefit; 410 Indiana Ave

Request for Use:

1. Music Parents Association (MPA); Location at the Fire Hall – North Stall for Fruit & Frozen Food Fundraiser Distribution. Date & time December 4, 2023, from 7:00am-6:30pm.

On-Sale/Off-Sale Liquor License

1. Big Orv's; Changing Ownership to '*The Penalty Box*'; Derek Swenson Motion to approve change of ownership, operating under new name '*The penalty Box*', contingent on background check and State AGED approval, by Von Holtum, second by Carlberg. 5/0

6. Community Concerns:

Carts in the isles of Dollar General. Concerned if there is a fire or other emergency. Platt said that Fire Chief Jackson and Assistant Fire Chief Sieve were contacted and were going to talk to Dollar General about the concern.

7. Staff Reports:**Police:**

Tri-Annual Tech Audit: The Police Department is currently going a tri-annual tech audit. Langseth advised that this is stemming more policies that need to be written and there is an increase in regulations being passed down from the state level. Councilmember Kunkel asked Langseth if this is why small-town agencies are "umbrellaing" under county agencies? Langseth said that in his opinion that is more due to staffing issues.

Administration/Community Development:

2021-22 Street Project Legal Matter: Attorneys are still working on tracking down an appraiser.

DDA - Compensation Study/ Market Analysis Amend: Dr. Tessia Melvin presented to City Council via zoom on the findings at this point regarding the Compensation Study/Market Analysis.

Small Cities Assistance Program: We will be receiving funding from this program in 2024. The amount will be determined next summer. Amounts have not yet been determined as it will be based on tax collections.

Substation Transformer Addition: CTS will be performing geotechnical exploration at the new substation transformer location. Working on applying for a U.S. Department of Commerce, Economic Development Administration disaster supplemental grant. We will be sending a letter that shows that we have a match if the EDA funds the project less than 80%. Grant request amount at 80% will include the contractual, legal and grant administration via SRDC.

Adrian Housing & Redevelopment Authority: HRA would like to look at expanding the Sidewalk & Driveway Removal and Replacement Loan Program. By adding more exterior improvements to the program. Examples of windows, siding, paint, and shingles. Platt asked councilmembers for their thoughts of changing the amount of potential loan amounts.

Platt said that Langseth brings nuisance reports to the HRA board, and this Sidewalk & Driveway Removal and Replacement Loan Program would offer dollars for residents to improve items identified on the report. Expanding the program would give more opportunity for residents to make improvements. Langseth said from the Police Department standpoint, if we could publicize the driveway portion of the program, that would be beneficial. After discussion, it is the consensus of the councilmembers for the HRA board to set a formula for interest for the program based on the prime interest rate.

Suedkamp Addition: The city recorded a document releasing the covenants from the parcels it owns. The covenants will not be effective against any of the parcels located in Suedkamp Addition.

There are currently 3 pending Suedkamp Addition lots with purchase agreements being worked on.

MRES Distribution Maintenance: MRES came to have a meeting regarding how things have been going with the distribution maintenance supplement services. We plan to have a follow up meeting on November 21, 2023 @ 9am. Attending this meeting will be Terry Wolf, Jeff Bechhold, Brian Remme, David Edwards, Jared Henriksen, Kendal Kane, and Sheri Platt. We will be reviewing Luverne on-call support, Adrian staff training, and the Adrian Transformer Substation project.

Minnesota Pollution Control Agency: Notice of Violation due to a file review Sept 11, 2023. The MOCA documented that the city failed to sample twenty-three parameters during the October 2022-

July 2023 review period. Platt submitted a corrective action to address the violation. On October 11, 2023, we received a letter that acknowledges that we have completed the corrective action requirement in the MPCA September 19, 2023, Notice of Violation.

Safe Routes to School Grant: Platt is working with the School Administration to update a Safe Routes to School Plan and submit a grant application.

Water Treatment Plant: SEH is working on the Water Treatment System Improvement Final Design. We are also exploring potential Water Project Funding.

Gro-Shed: Kane is looking into the cost to have the water put in at the gro-shed.

8. Substation Transformer Addition:

Platt has been working with the SRDC to apply for a U.S. Department of Commerce, Economic Development Administration disaster supplemental grant. She will be sending a letter that shows that we have a match if the EDA funds the project less than 80%. The grant request amount at 80% will include the contractual, legal and grant administration via SRDC. The bonding council fee will be \$15,000 and if we receive the grant the fee for SRDC will be \$15,000. Motion by Von Holtum, second by Carlberg to approve letter to EDA that shows that we have a match if the EDA funds the project less than 80%. 5/0

Councilmember Kunkel asked how long it is supposed to take before we hear if we receive this grant. Platt said we should know by January.

9. 2024 City Budget & Corresponding Levy:

- Compensation Study/Market Analysis and 2024 wage: It is the consensus of the board to hold off on further discussion until DDA presents information requested in November.
- PUC – increase on Utility Billing: A committee meeting has been scheduled for October 25, 2023 at 7pm. Councilmembers Kunkel and Von Holtum will attend the meeting.

10. 2024 Property, Vehicle, Liability Insurance:

Motion by Von Holtum, second by Kellen to not waive the monetary limits on municipal tort liability, as established by MN Statutes. 5/0

11. 2024 Worker's Compensation Renewal:

Motion by Von Holtum, second by Kunkel to renew the 2024 Worker's Compensation policy with the same \$2,500.00 deductible. 5/0

12. Staff:

Motion by Kunkel, second by Carlberg to give permission to Kane extend the use of 5 vacation hours to November 30th. 5/0

13. Other Business:

14. FYI:

SWWC Service Cooperative Board of Directors Notice of Vacancy: The SWWC Board of Directors currently has (2) vacancies they are seeking appointments for. Applications to be considered were included in agenda packets for council members. Candidates must submit their application forms by December 8, 2023.

Revision of City Code Section 7: Mayor Edwards has made revisions to City Code Section 7 and is asking council members to review the revisions prior to the city council meeting November 27, 2023.

15. Upcoming City Council Meeting:

By consensus, the Council acknowledged Monday, November 27th, 2023, at 7:00 PM, within the Council Chambers of the Adrian Government Center, as their next Regular Meeting date, time, and location.

16. Adjournment: Meeting adjourned at 8:18 p.m. Motion made by Kunkel, second by Von Holtum. 5/0.