1. **CALL TO ORDER**

Mayor Wallen called the meeting to order at 5:00 p.m.

2. **ROLL CALL**

Council Members present: Rose Johnson, Paul Knier, Mike Wallen, and Scott Zettvall. Council Member Seth Hansen arrived at 5:03 p.m. Also present: City Administrator Clay Wilfahrt, Finance Director Deb Wegeleben, City Clerk Gina Wolbeck, City Engineer Layne Otteson, Police Chief Joel Scharf, and Liquor Store Manager Greg Zurbey.

3. **PROPOSED AGENDA**

Council Member Zettvall motioned to adopt the proposed Agenda as presented. Seconded by Council Member Knier, unanimous ayes, Agenda adopted.

4. **BUSINESS**

4A. **2020 General Fund Budget, Levy, and Fee Schedule Review**

Deb Wegeleben reviewed the 2020 Preliminary Budget/Levy that was set in September. Wegeleben explained that the debt levy has been lowered $69,892 due to cash received from prepaid assessments, and mandatory transfers. Wegeleben also discussed the proposed fire department/public safety position that is still under review. The costs for this position have been included in the budget, and Staff will be reaching out to a third party to verify if the City is at a population level that would warrant this type of position. The added position could provide a revenue stream for services provided such as fire inspections for commercial businesses as well as residential rental units. Wegeleben noted that these potential revenue streams have not been included in the draft budget. Staff is recommending that the cost of the position remain in the 2020 budget, and if after further review Council chooses not to move forward with the position, the allocated funds could be transferred to the street maintenance fund or any other project Council chooses. Wegeleben also discussed the reallocation of a part-time public works employee into a full-time position. Wegeleben noted that Council will be asked to set the Final Levy in December. Staff asked for Council feedback on additional changes to the Preliminary levy/budget numbers.

Council Member Zettvall asked what can be done with the fire/public safety position dollars if we choose not to establish the position. Wegeleben responded that use of the funds would be at Council’s discretion. Clay Wilfahrt discussed the reasons for including the dollars in the budget and continuing to evaluate the need for the position, noting that we should have more definitive information on the position early in 2020. Mayor Wallen clarified that the Personnel Committee has vetted the position and asked that it be included in the 2020 budget, stating that the
Personnel Committee asked for the recommendation from a third party before making a final decision on establishing the position. Council Member Johnson stated that moving the dollars to the street maintenance fund would be a good idea if we choose not to implement the position. Council Member Knier stated his concern that if we put the dollars in the budget, the Council will feel obligated to fill the position. Council Member Zettervall agreed that we shouldn’t spend it just because we budgeted for it. Wilfahrt clarified that Council can reallocate dollars in a different way in the future through a budget adjustment if we don’t establish the position.

Council Member Knier asked for clarification on the public works position moving to full-time. Wilfahrt stated that Staff feels the position is warranted and changing the position to full-time should reduce seasonal hours needed. Wilfahrt also explained that changing the status of the part-time position is a step towards starting to plan for the future. The organization and duties have grown so much, and we are trying to plan for expansion and growth within the department.

Wegeleben reviewed various enterprise funds, noting that usage fees for water would increase by 6% and sewer would increase by 5%. Council and Staff reviewed how this amount of an increase would affect residential and commercial users.

Council Member Knier discussed water revenue and asked how much we can expect to save to go towards the future expansion of the wastewater plant. Wegeleben and Wilfahrt estimated that we should have approximately $2,000,000 saved by 2023/2024, and stressed that needs will be based on future development numbers.

Wegeleben reviewed the Liquor Store Fund, noting that the revenue projection has been decreased, the transfer to the general fund has been lowered, and the loyalty program has been reduced. Greg Zurbey discussed that the reduction in staff hours should amount to a reduction in personnel costs, and discussed that information will be brought back to Council on the Loyalty Program and whether it is beneficial when compared to the cost of the program. Wegeleben stated that further review of the Liquor Store budget will be needed before the budget is adopted in December.

Wegeleben reviewed proposed changes to the 2020 Fee Schedule including water and sewer rate increases, an increase to the water test fee that was mandated by the State, the addition of an animal impound fee, the Lake Mitchell Launch access card fees if that program is approved, zoning department application fee and escrow adjustments, the sale of no solicitation stickers, and an increase to water meter fees.

Council Member Knier questioned why Staff is recommending changes to the land use fees and escrows. Wilfahrt explained that the revised rates are more in line with what the City’s actual costs are in recent past history. Discussion was also held on the Lake Mitchell Launch replacement key card fee which was recommended by the BLCLA to encourage the key holder to secure it. Council Member Knier stated that he would prefer to keep the replacement key cost the same as the initial purchase cost as having to pay for a replacement key in itself is already a penalty. Council Member Johnson stated that she would like to leave it at $40 and see how much of a demand there is for replacement key cards, noting that the fee can be adjusted back down after we have a history on the program. Council Member Zettervall stated that the double fee could serve as a deterrence to a key card holder misplacing or loaning out their card. Council
Member Hansen agreed that we can re-evaluate later to see if the re-issue cost is excessive, or if it makes sense. Mayor Wallen stated that he is in favor of the $40 reissue fee, noting that the fee schedule can be amended mid-year if needed.

The general consensus of the Council was that the budget/levy numbers presented look acceptable, and that Staff will bring back the liquor store budget for further review before the December meeting.

4B. Public Works Organizational Structure Discussion

Clay Wilfahrt discussed the recent resignation of the Water/Wastewater Foreman, and Staff’s review of the efficiency of the overall department. Wilfahrt reviewed staffing within the Public Works Department noting that the Public Works Director is the only supervisor in a department of 14. Two Foreman work in the department, but at this time those positions are not empowered as true supervisors, but instead act as leads within their divisions. Staff believes that some structural changes can lead to a more balanced approach within the department. The Water/Wastewater Foreman could be given additional administrative responsibilities making it a Superintendent position rather than a Foreman position. Allowing this person to directly supervise their staff will relieve some of the burden from the Public Works Director. The Superintendent would be responsible for interviews, training, work schedules, assigning duties, budget preparation, financial statement review, division policies, goals, objectives, and procedures. This would eventually free up some of the Director’s time to focus on Administrative duties. At this time due to limited staff, it likely won’t have a huge impact, but as we plan for succession, it will eventually make more sense to have the position reclassified. Wilfahrt reviewed scoring for the proposed Superintendent position which is determined would be at Grade 15, and the position would be exempt due to being supervisory in nature. As the City would not have to pay overtime, the cost of changing the position would be cost neutral. Wilfahrt also noted that as the position is currently vacant, making the change would simply consist of a title and job description change. Wilfahrt noted that this item has been included on tonight’s Regular Agenda due to time constraints for filling the vacancy.

Council Member Johnson clarified that as a Foreman, the employee is in the collective bargaining unit which puts them in an awkward position as a team lead. Mayor Wallen stated that reclassifying to a Superintendent will increase the degree of importance of the position. Council directed Staff to move forward with reclassifying the non-exempt Water/Wastewater Foreman position to an exempt Water/Wastewater Superintendent position at pay grade 15.

4C. New Ideas Discussion

Council Member Johnson reviewed concerns discussed at the past Lake Association meeting regarding numerous fishing tournaments held at our lakes without any notice to the City, noting their concern that the tournament participants are going from lake to lake which could increase AIS lake infestations. Council directed Staff to reach out to event coordinators to notify them whether or not they are required to receive permission from the City to hold a tournament.
5. OTHER – No other.

6. ADJOURN

Council Member Knier motioned to adjourn at 5:48 p.m. Seconded by Council Member Johnson unanimous ayes, motion carried.

Gina Wolbeck 10/23/19
City Clerk Date Approved By Council