



Watertown City Council
Regular Meeting

Mayor Michael Walters
Kay Thul
Adam Pawelk
Fred McGuire
Dan Schuette

4/25/2023 - Minutes

1. Call To Order And Roll Call

Pursuant to due call and notice thereof, the regular meeting of the Watertown City Council was called to order in the Council Chambers of City Hall at 6:30 p.m. on Tuesday, April 25, 2023, by Mayor Michael Walters.

Councilmembers present: Mike Walters, Fred McGuire, Adam Pawelk, Dan Schuette, Kay Thul.

Councilmembers absent: None.

City Staff present: City Administrator Jake Foster, Administrative Services Director Margaret Reisdorf, Fire Chief Tom Hanson, RJ Cripps, Sheriff's Deputy, Andrew Budde City Engineer, and Public Works Superintendent Mike Dressel.

Others Present: Scott Qually, MNSPECT.

2. Adopt Agenda

COUNCILMEMBER THUL MOVED TO APPROVE THE AGENDA AS PRESENTED. COUNCILMEMBER MCGUIRE SECONDED. MOTION CARRIED 5-0.

3. Consent Agenda Discussion And Approval

COUNCILMEMBER PAWELK MOVED TO ADOPT THE CONSENT AGENDA AS PRESENTED. THUL SECONDED. MOTION CARRIED 5-0.

3.A. April 11. 2023 City Council Meeting Minutes

3.B. April 11. 2023 City Council Workshop Meeting Minutes

3.C. 2022 Audit

- 3.D. Quarter 1 2023 Financial Report
 - 3.E. Solicitors Permit - Renewal By Andersen
 - 3.F. Watertown-Mayer Education Foundation Gambling Permit
 - 3.G. BCA JPA And Subscriber Agreement Renewal
 - 3.H. 2022 CIPP (Cast In Place Pipe) Pay App No 2
4. Open Forum

Building Inspector Report

Mayor Walters introduced Scott Qually from the City's building inspecting company, MNSPECT, to present a report to the City Council.

Qually provided a building inspection report for the City of Watertown that included data from the past 15 months. He informed that throughout this period, 413 permits have been issued, 1,326 inspections completed, and 905 inspections passed. He stated that over the winter months, MNSPECT worked to "clean up" old permits by contacting property owners through letters and door hangers to close out permits. Qually provided a breakdown between commercial and residential permits. Qually explained the submittal process and turnaround time. He stated that he could provide quarterly reports to the City Council in the future.

Pawelk thanked Qually for the report and agreed that quarterly reports would be useful.

Walters expressed appreciation for the report and the turnaround information. He said that he was glad things were going well and that regular reports would be appreciated.

Sheriff's Office Monthly Report

Deputy Cripps stated that crime is going in the right direction currently. He warned that the Crow River is currently very high and that residents are advised to take the road closure barricades and signs seriously. He informed that the river is very strong and fast.

McGuire asked Deputy Cripps about the previous discussion and complaints related to parking on Angel Ave.

Deputy Cripps stated that they have since not received any calls for service and that he has been patrolling the area more. He informed that things seem better.

Deputy Cripps said that crime can get worse throughout the summer months and that the Sheriff's Office is preparing for the increase and will work on deterring where possible.

Pawelk explained that being present is great and it shows that the city is listening and being proactive. He stated that perception is important in building trust and transparency.

Deputy Cripps agreed stating that we need to work together.

Fire Department Monthly Report

Fire Chief Hanson informed that at the previous month's meeting he has informed the City Council on the potential of flooding within the city. He stated that since then flooding has occurred and that the Crow River is currently very high. He thanked the City's public works team for their ongoing efforts and support in being proactive and having to adjust throughout the city very quickly to prevent additional flooding. He thanks them

for their service.

Hanson advised that people stay away from the river because it is still very high and has a strong current. He stressed safety and making safe decisions as the river is very dangerous.

Hanson informed that the fire department is currently going through the hiring process and has extended two (2) conditional offers to two candidates.

Hanson provided information on the number of calls for the month and year.

Hanson provided in depth information on a business property located in Franklin Township that has seen several calls already in 2023 and is currently under investigation by the State Fire Marshalls Office and the Minnesota DNR since it is becoming an ongoing issue.

5. New/Old Business

5.A. Fire Department Flooring And Office Project

Hanson introduced this item to the City Council. He informed that at the March 28, 2023, City Council meeting, the City Council approved staff soliciting quotes for the following Fire Station Improvements:

1. 1st Floor carpeting and office furniture for the chief's office.
2. 2nd Floor office furniture for a joint office.

Hanson informed that staff received three bids for the carpeting and that the lowest bid for the project was Henricksen Flooring for \$6,589.21. Hanson recommended approving the company for the project.

Hanson explained that staff also solicited three bids for the office furniture and that the lowest bid for that project was from Inline Office for a total of \$6,645.49. He informed that one supplier declined to provide an estimate as they declined to send someone out to see the project space.

Hanson expressed confidence in the product offerings and that they will fit the needs of the office spaces. He stated that some of the old furniture would be reused and repurposed to fit with the new furniture.

Hanson stated that the total project cost for the carpet and furniture came in at \$13,234.70. He said that staff budgeted \$21,218.00 for the furniture project and \$10,792 for the carpeting project resulting in the project coming in under budget by \$18,955.30.

He estimated the timing of the carpet installation to be 2-3 weeks.

Pawelk stated that he liked seeing the project come in under budget. He expressed support for finding vendors that make sure the space is utilized well.

McGUIRE MOVED TO APPROVE THE BID OF \$6,589.21 FROM HENRICKSEN FLOORING FOR THE CARPETING AND THE BID OF \$6,645.49 FROM INLINE OFFICE FOR THE OFFICE FURNITURE. THUL SECONDED. MOTION PASSED 5-0.

5.B. 2023 LSU Trailer

Hanson introduced this item to the City Council. He informed that at the March 14th, 2023 meeting that staff was authorized to solicit pricing for the replacement of the current LSU trailer and related upfittings.

Hanson explained that staff solicited quotes from three suppliers and that the lowest bid came from Central Trailer Sales of East Bethel, Minnesota for \$15,899.00. He explained that the enhancements of

the new trailer over the old trailer is that there will be a rear ramp door, it will include heavier duty axles to sustain the weight of the HVAC unit, generator, shelter, and other equipment.

Hanson estimated the trailer build time to be between 4-6 weeks.

Hanson explained that additional pricing was solicited from three suppliers for the provision of the installation of graphics and emergency lighting on the new trailer. Hanson stated that the lowest bid came from EATI in the amount of \$5,215.02. He informed that staff is recommending approval of this quote.

Hanson said that the cost for the LSU Trailer and enhancement for upfitting was \$21,114.02. He stated that staff is recommending the full allocation of \$25,000 to cover these costs and additional costs related to that adding of shelving and mounting equipment (to be installed by staff).

Hanson reminded the City Council that the City of Watertown Fire Department will own and maintain the trailer, but that the Carver County Fire Chief's Association will reimburse the city of the initial purchase costs.

Hanson noted that the City of Watertown Public Works has expressed an interest in the old trailer and using it to house barricades and traffic control equipment. He said that at the time of delivery of the new trailer, the fire department and public works departments could assess the fair market value of the old trailer and seek reimbursement from the Fire Chiefs Association for the cost of the initial purchase, less this price.

Pawelk stated that the information and pricing makes sense. Pawelk expressed concern about the Public Works Department taking the trailer if it needs repairs. He stated that the additional expenses may not be worth it.

McGuire stated that if the public works department equipment was a lot lighter than the fire departments then maybe it wouldn't be too big of an issue.

PAWELK MOVED TO APPROVE THE TWO BIDS FOR THE LSU TRAILER AND THE TOTAL PROJECT COST OF UP TO \$25,000 FOR ADDITIONAL SHELVING AND ENHANCEMENTS. WALTERS SECONDED. MOTION PASSED 5-0.

5.C. Crow River Bank & Fishing Pier Improvements Project

Budde introduced this item to the City Council. He informed that at the January 10, 2023, meeting, staff provided an update on the Mullen Restoration and Streambank Projects.

He informed that the projects included the Mullen Property Acquisition & Upland Restoration, Stream Restoration, Boardwalk Restoration, and Fishing Blocks within the Mullen Property and at Rick Johnson Park.

Budde stated that the city has been very successful in acquiring outside funding for various portions of the projects and is eligible for \$660,000 in outside funding from the Minnesota Department of Natural Resources (DNR), Board of Soil & Water (Watershed Based Implementation Funding (WBIF) and Carver County Watershed Management Organization (CCWMO).

Budget Impact:

1. Mullen: Land Acquisition and Upland Restoration:	
a. DNR Grant	= \$400,000
b. <u>City Min. Contribution (10% of DNR)</u>	= \$40,000
c. Total Land & Upland Rest.	= \$440,000
2. Mullen: Stream Restoration	
a. WBIF Grant	= \$90,000
b. CCWMO Grant	= \$10,000
c. <u>City Min. Contribution (10% of WBIF)</u>	= \$10,000
d. Total Stream Rest.	= \$110,000
3. Boardwalk Stabilization:	
a. WBIF Grant	= \$160,000
b. <u>City Contribution (50% of WBIF)</u>	= \$160,000
c. Total Stream Rest.	= \$320,000
4. Rick Johnson Park Fishing Pier:	
a. City Contribution (100%)	= \$35,000
Total Outside Funding (DNR + WBIF+CCWMO)	= \$660,000
<u>Total Projected City Contribution</u>	= \$245,000
Total Project Budgets	= \$905,000

Budde reviewed the project budgets and that the city is responsible to cash flow the projects and then seek reimbursement from the outside agencies for the grant funds. He explained that any project costs above the budget amounts are required to be paid for by the city.

Budde informed that the construction estimates show that the city may need to contribute an additional \$64,800.00 to fund the projects. He said that the final costs will be known when the bidding process is complete and final numbers are known.

Budde stated that the city could look at bidding all the fishing piers as an alternate and/or reduce the scope of the Mullen Stream Restoration to stay within the city's budget.

Budde stated that if the City Council were to approve the plans and authorize staff to bid the project, the project would be advertised, and the bid opening scheduled for May 30, 2023. Budde projected the project award process to come to the City Council at their June 13, 2023, meeting.

Total Estimated Project Costs:	
Mullen: Land Acquisition	= \$264,800
Mullen: Upland Restoration & Fishing Block	= \$91,000
Mullen: Stream Restoration	= \$163,000
Boardwalk Stabilization	= \$404,000
Rick Johnson Park Fishing Blocks	= \$47,000
Total Construction Cost	= \$969,800

Funding Source:

Capital Improvement Fund (CI030)
 Capital Improvement Fund (CI127)
 Capital Improvement Fund (PF045)
 Utility Capital Fund (UC015)
 Utility Capital Fund (UC065)

Pawelk thanked Budde for providing alternatives to keep the project within budget. He said it will be good to assess when the bids come in. He informed that he would like to stay within budget.

Walters agreed to stay within the scope of the project and stay within budget.

MCGUIRE MOVED TO ADOPT RESOLUTION 2023-26 APPROVING THE CROW RIVERBANK & FISHING PIER IMPROVEMENTS PROJECT PLANS AND SPECIFICATIONS AND AUTHORIZE BIDDING. PAWELK SECONDED. MOTION PASSED 5-0.

5.D. 2023 Mill And Overlay - 30th Street Change Order

Budde introduced this item to the City Council. He informed that at the April 11, 2023, City Council meeting, that staff presented the bids for the 2023 Mill & Overlay Project and that the City Council authorized awarding the project to WM Mueller & Sons in the amount of \$1,477,193.90. He informed that the project included a project alternative to pave 500 feet of 30th Street. Budde explained that at that meeting, the City Council discussed potentially paving the entire length of 30th Street from County Road 10 to the Wildflower Development to address current maintenance issues and concerns from residents.

Budde reviewed various factors with the City Council to better understand the benefits and concerns of paving the entire 30th Street at this time:

1. Currently the city and township share in maintenance responsibility of the roadway. The city places gravel as needed and plows snow. The township grades the roadway during the summer.
2. The depth and quality of the existing gravel on 30th Street is unknown. However, staff drove 30th Street after the April 11th meeting and did not notice any areas of concern during the spring thaw, which is when the roadway is most susceptible to soft area developing.
3. 30th Street is proposed to be a Future Collector roadway and likely a Municipal State Aid Roadway once the city reaches the 5000 population. This then requires it to be built to certain standards to utilize MSAD dollars.
4. Concept estimates from 2018 projected the cost to build 30th Street to a Collector Roadway standard at \$1.3 million. The is approximately \$1.5 million in 2023 dollars.
5. Staff reviewed the existing vertical curb near Arnica and it appears to provide adequate stopping sight distance for 30mph.
6. Previous strategies have been to not improve 30th Street until adjacent development happened as the developer would then be responsible for a portion of the roadway costs.
 - a. The north segment of Paul Ave in the Forest Hills development is a collector roadway and has been sitting unconstructed with one factor being the additional costs to be burdened by the adjacent developer.
 - b. Paul Ave adjacent to the Watertown Mayer Middle School is a collector roadway and has utilized phased construction. When the property to the west develops then curb & gutter/storm sewer will be required to be constructed.
7. Sanitary sewer and watermain will need to be extended from the north side of 30th to the south side as part of future development. However, this is only anticipated in two locations near CSAH 10 and Arnica Drive. Sewer and water are not anticipated to be installed parallel to 30th Street as it would be routed through future city roadways to the south that have direct driveway access and the need for utility services.
8. Based on the bid prices from WM Mueller & Sons a request to pave 30th Street at its existing width and 4.5 inches of asphalt would add an additional \$170,000 to the construction cost.

Budde stated that the total project budget was \$2,014,000.00. He informed that the original bid for the original project came in at \$1,447,193.90. He explained that by adding the full pavement of 30th Street, the total project cost would be around \$1,890,000.00.

Budde asked the City Council for directions on how to move forward as far as the pavement of 30th Street.

A resident from 104 Arnica stated that 30th Street is in terrible condition in some sections and is especially so in the winter months. She expressed support for the pavement of 30th Street.

Pawelk stated that he appreciated the additional information on the pavement of 30th Street. He explained that he thought it would be a good opportunity to address concerns and do the pavement as part of the project. He said that the positives outweigh the negatives and therefore is worth the investment.

Thul expressed gratitude for the great information and expressed support for paving 30th Street.

Walters explained that he understood the history of the street's condition and the waiting for development to occur to enhance 30th Street. He expressed support for paving 30th Street as part of the 2023 Mill & Overlay Project. He informed that if a developer came in later, that the street could then be upgraded to the "next level" of improvements to support that development.

THUL MOVED TO HAVE STAFF PREPARE A CHANGE ORDER FOR THE 2023 MILL & OVERLAY PROJECT TO INCLUDE PAVING OF 30TH STREET FROM ARNICA DRIVE TO CSAH 10. MCGUIRE SECONDED. MOTION PASSED 5-0.

5.E. Ordinance 437 Liquor License Update Baseball

Reisdorf introduced this item to the City Council. She informed that in 2022, the Minnesota State Legislature passed a new law (Chapter 86) that made changes to liquor licensing and related rules. She informed that the changes were signed into law by Governor Tim Walz and went into effect on May 23, 2022.

Reisdorf stated that as part of the law change, the statute allows municipalities to issue on-sale wine and on-sale malt liquor licenses to a local baseball team competing in a league that is recognized and established by the Minnesota Baseball Association. Reisdorf said that the license can also be issued to a person holding a concessions of management contract for beverage sales at the ballpark for the purposes of summer town ball games.

Reisdorf explained that the current City Code for the City of Watertown does not permit baseball teams to apply for liquor licenses and that with the passing of the new State Law, the City of Watertown needs to update its City Code to match the new state laws.

Reisdorf reviewed a proposed City Code amendment to the City's Chapter 6: Alcoholic Beverages that would reflect changes needed to match the state's new law. She informed that it was reviewed by the City Attorney. Reisdorf said that staff is recommending approval of Ordinance 437 that would approve the recommended and proposed amendments to the City Code.

PAWELK MOVED TO ADOPT ORDINANCE 437 AMENDING THE WATERTOWN CITY CODE CHAPTER 6: ALCOHOLIC BEVERAGES REGARDING ON-SALE WINE AND ON-SALE MALT LIQUOR LICENSES TO BASEBALL BALLPARKS OR STADIUMS. THUL SECONDED. MOTION PASSED 5-0.

5.F. 2023 Fee Schedule Amendment

Reisdorf introduced this item to the City Council. She informed that as part of the amendment to the City Code Chapter 6: Alcoholic Beverages, that the City Council is being asked to consider a fee change to its Wine License.

She explained that the City of Watertown already has in place a Wine License and the new state law places the baseball license under the already established license.

Reisdorf said that the fee for the Wine License is currently \$2,000, making it cost prohibitive for the baseball team to acquire a license throughout the summer months.

Reisdorf informed that the \$2,000 fee has been in place for 20+ years and was uncertain as to why the fee was set so high. She guessed that it could have been placed that high when the city operated a municipal liquor store.

Reisdorf explained that the City Attorney reviewed the new law and the interpretation was that baseball licensing would have to fit within the current wine license and subsequent fee. She stated that the fee would likely need to be reduced to make it worth it for the baseball team to apply for the license and use it.

Reisdorf explained that if the fee is reduced, the current restaurant in town with the same license should be partially reimbursed.

Reisdorf stated that staff is recommending putting the fee to \$350 to cover background checks and other administrative costs associated with processing liquor licenses.

Pawelk recommended putting the fee to \$250 and reimbursing Mario's Italian Kitchen. He stated that the city could reassess the fee during the 2024 budget process.

Walters informed that the current Wine License fee at \$2,000 is high and agreed that the fee makes it cost prohibitive for the baseball team. He agreed with the \$250 fee and recommended reimbursing Mario's Italian Kitchen \$1,750.00.

Foster added that staff is recommending a \$100 fee to the 2023 Fee Schedule for Mobile Food Units.

WALTERS MOVED TO ADOPT ORDINANCE 438 APPROVING THE AMENDMENT TO THE 2023 FEE SCHEDULE TO REDUCE WINE LICENSES FROM \$2,000 TO \$250 AND ADDING A \$100 FEE FOR MOBILE FOOD UNITS. THE MOTION ALSO INCLUDES REIMBURSING MARIOS ITALIAN KITCHEN \$1,750.00 FOR THEIR 2023 WINE LICENSE. PAWELK SECONDED. MOTION PASSED 5-0.

WALTERS MOVED TO APPROVE THE WINE LIQUOR LICENSE APPLICATION FOR THE WATERTOWN BASEBALL TEAM, THE RED DEVILS. THUL SECONDED. MOTION PASSED 5-0.

5.G. Unrestricted Fund Balance Transfer

Reisdorf introduced this item to the City Council. She explained that as part of the 2022 financial audit, staff on an annual basis reviews unrestricted fund balances to determine if any excess funds could be transferred into capital accounts.

She informed that the City's Financial Management Policy allows the transfer of unrestricted fund balances at 50% of operating expenditures. Reisdorf stated that based on policy, staff is recommended the transfer of \$650,000 as follows based on future capital projects:

\$200,000: Parks Capital Fund

\$300,000: Fire Capital Fund

\$150,000: General Capital Fund

Previous Transfers:

2021 (based on 2020 Audit): \$275,000

2022 (based on 2021 Audit): No transfer recommended by staff

2023 (based on 2022 Audit): \$650,000

MCGUIRE MOVED TO ADOPT RESOLUTION 2023-28 APPROVING THE TRANSFER OF UNRESTRICTED FUND BALANCES FROM THE GENERAL FUND TO THE CAPITAL FUNDS. THUL SECONDED. MOTION PASSED 5-0.

5.H. 2023 Pavement Maintenance Projects

Dressel introduced this item to the City Council. He referenced the City's street maintenance plan within the City's Capital Improvement Plan and Maintenance Budgets. He informed that based on the schedules within the plans, staff solicited quotes from contractors to complete the designated areas within the 2023 seal and crack sealing street projects. Dressel explained that quotes were solicited for a clear bio-based pavement sealer called Replay and for crack filling on streets and trails.

Dressel provided the following scope of the projects:

Area streets to be crack sealed and then sealed with Replay include Hickory Curve, Popular Ln, Wildflower Court, Sheperdia Court, Meadowsweet Place, Yarrow Court, Bluestem Court, Hissop Court, Prairie Smoke Court, Primrose Place, Verbena Drive and Gallium Way. Areas to be addressed with crack seal would include Ortloff TL, Ann St, Circle Dr, Hillside Dr, Rosewood Ln, Jackson Ave, Franklin Ave, Westminster Ave, Angel Ave, Maple St, Bickford St, State St, Carter St, and White St.

Various trail segments are also programmed to be crack sealed, and then sealed with Replay. They are the trail segments at Sugarbush Park, trail adjacent to HWY 25 at Highland Park and the trail adjacent to Co Rd 10 between State St NW and Bickford St NW.

Dressel provided the following bid information.

Crack Seal Streets	Project Estimate	Linear Foot Price
Bargen Inc.	\$37,513.80	\$1.40
Northwest Asphalt & Maintenance	\$38,883.20	\$1.60

Crack Seal Trails	Project Estimate	Linear Foot Price
Bargen Inc.	\$645.00	\$0.32
Northwest & Asphalt Maintenance	\$6000.00	\$3.00

Bio Sealer Streets	Project Estimate
Bargen Inc.	\$44,745.00

Bio Sealer Trails	Project Estimate
Bargen Inc.	\$6,645.00

Dressel stated that staff recommends completing all project areas on the 2023 project list and awarding the contract to Bargen Inc.

He informed that the project budget was \$155,592.00 and that the project total came in at \$89,548.80. He stated that the project came in \$66,043.20 under budget.

Pawelk thanked Dressel for the RePlay information at the City Council workshop. He stated that it was really informative and provided a lot of good information on the benefits of the product.

PAWELK MOVED TO ADOPT RESOLUTION 2023-24 AWARDING THE LOW QUOTE TO BARGEN INC. FOR CRACK SEALING AND BIO-SEALER/REPLAY PROJECTS. WALTERS SECONDED. MOTION PASSED 5-0.

5.I. Summer Hours

Foster introduced this item to the City Council. He informed that staff is requesting that the City Council consider the implementation of summer hours for City Hall. He informed that the proposed hours would be Monday – Thursday from 7:00 am – 5:00 pm. He stated that the hours would be in effect between May 1 to October 1, 2023. Foster said that the city had these hours throughout the pandemic.

Pawelk said that the recommendation made sense and that the city would continue to monitor throughout the summer if issued come up.

Walters agreed that as long as constituents are getting their needs met, he was fine with the summer hours.

WALTERS MOVED TO APPROVE THE SUMMER HOURS RECOMMENDATION FOR CITY HALL. MCGUIRE SECONDED. MOTION PASSED 5-0.

6. Other Reports

Foster recognized it being Jim Bart's last day as the Audio Visual Technician for the City of Watertown. He expressed gratitude and thanked Bart for his dedication to the City. Foster mentioned that Bart was the City Clerk with the City of Watertown in the past and has served in many roles that have supported the City over the years.

Pawelk wished Bart the best of luck and stated that he enjoyed their conversations over the years. He wished him well in retirement.

Thul thanked Bart for her years of dedication.

Walters stated that he appreciated all that Bart has done over the years for the City of Watertown. He said that Bary is a Watertown icon who has done so much for the community.

Foster stated that the Audio Visual Technician position has been posted in several places including social media, the website, newsletter and with student groups at the high school.

7. Claims

7.A. Claims Packet 4/25/2023

THUL MOVED TO APPROVE THE APRIL 25, 2023, CLAIMS PACKET. PAWELK SECONDED. MOTION PASSED 5-0.

8. Adjournment

PAWELK MOVED TO ADJOURN THE MEETING AT 8:09 PM. MCGUIRE SECONDED. MOTION PASSED 5-0.

309 Lewis Avenue South; P.O. Box 279, Watertown, MN 55388

Michael Walters, Mayor

ATTEST: _____

Margaret Reisdorf, Admin. Services Director