



Watertown City Council
Regular Meeting

Mayor Michael Walters
Kay Thul
Adam Pawelk
Fred McGuire
Dan Schuette

6/13/2023 - 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, June 13, 2023, by Mayor Mike Walters.

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

Councilmembers absent: Dan Schuette.

City Staff present: City Administrator Jake Foster, Phillip Schrapp Bolton and Menk, Mike Dressel Public Services Superintendent, Mark Kaltsas City Planner, Tammy Omdal Northland Securities.

Others Present: Mary Fritz Barfnecht.

2. Adopt Agenda

**COUNCILMEMBER MCGUIRE MOVED TO APPROVE THE AGENDA AS PRESENTED.
COUNCILMEMBER PAWELK SECONDED. MOTION CARRIED 4-0.**

3. Consent Agenda Discussion And Approval

**COUNCILMEMBER PAWELK MOVED TO ADOPT THE CONSENT AGENDA AS PRESENTED. MCGUIRE
SECONDED. MOTION CARRIED 4-0.**

Walters acknowledged the resignation of a Watertown Firefighter, Steve Wollak, from the fire department citing that Wollak and his family are moving to Delano. He stated that Wollak has been a great asset to the fire department and sincerely thanked him and his family for his and their dedication and service to the Watertown Fire Department. Walters informed that Wollak currently serves as a captain on the Fire Department and that with his resignation, firefighter Jason Raser will be filling in that captain position for the remainder of that position's term. Walters stated that Raser is a leader and thanked him for stepping into this position.

He also recognized the appointment of two new firefighters onto the Fire Department. He welcomed Martin Borowicz and Cassandra DeRosier. He thanked them for their service to the community.

- 3.A. May 23, 2023 City Council Regular Meeting Minutes
 - 3.B. May 23, 2023 City Council Workshop Meeting Minutes
 - 3.C. Mobile Food Unit Permit - North Star Donuts
 - 3.D. Step Movement For Michael Loehrs
 - 3.E. Step Movement For Williams Myers
 - 3.F. WWTF Pay Application #13
 - 3.G. Hanson PTO
 - 3.H. Juneteenth Holiday
 - 3.I. Rails To Trails Fireworks 2023
 - 3.J. 3J - 13310 County Rd 122 Encroachment Agreement
 - 3.K. Hiring RFA - Borowicz And DeRosier
 - 3.L. RFA Template - Resignation FF WOLLAK
 - 3.M. Steve Wollak Resignation
4. Open Forum
- 4.A. Mary Fritz Barfnecht

Mary Fritz Barfnecht

Mary Fritz Barfnecht introduced herself to the City Council and stated that she lives at 300 Mill Avenue in Watertown. She stated that her husband has lived at that address for about 53 years and that the property is located across from the Rapid Waters Park. She said that since the spring of 2023, there has been increased activity at that site, specifically by local teenagers. She said that these groups come and go and sometimes stay for a while to hang out. She said that after they leave however that they leave a lot of rubbish and litter. She expressed concern about the loitering and littering. She expressed more concern about the graffiti and damage to the park location by these individuals. Fritz Barfnecht said that she wrote a letter and provided pictures to staff and the City Council regarding their concerns and acknowledged receipt of some responses by the city.

Fritz Barfnecht provided a history of issues. She explained that what is happening is unacceptable and that the park is supposed to be a community space where everyone can enjoy. She informed that she has contacted the police at times. She said that she hasn't noticed increased police patrol. She expressed concern about potential drug dealings happening at the park as well.

Fritz Barfnecht asked how the Carver County Sheriff's Office is being held accountable for the active patrolling throughout the city. She stated that her perception is that they sit at City Hall and the Fire Station and are inaccessible. She thanked the City Council for their time.

Walters stated that he appreciated her comments and expressed a desire to work through this with the Sheriff's Office and find a solution.

Pawelk stated that he would like to have a discussion with the Sheriff's Deputy about how they can be more accessible to residents beyond the use of the nonemergency line. Pawelk expressed frustration about the ongoing incidents occurring at the park.

Walters informed that the Sheriff's Deputy does attend the second City Council meeting of the month as one way to connect with residents/community members.

Foster agreed to investigate other ways that residents can connect with the Sheriff's Deputy.

5. New/Old Business

5.A. Artificial Turf For Soccer Goals

Dressel introduced this item to the City Council. He informed that at the May 9th, 2023 City Council meeting, the City Council approved staff soliciting quotes for the installation of artificial turf in the goal areas of the two soccer fields that the city maintains.

Dressel informed that staff contacted three contractors for quotes and that two of the contractors met with staff to understand the project scope.

He explained that there was only one contractor, Synthetic Turf Solutions, that submitted a quote and that the quote was for \$35,497.04. Dressel said that the quote was \$15,497.04 over the planned budget for the project. He said that because of this, staff is not recommending moving forward with the project at this time. Dressel explained that instead, staff will be cutting out the bad areas with a sod cutter and replacing it with new sod. He said that staff would monitor the wear and tear of these areas every year.

Pawelk informed that it could be looked at again in the future if the sod cutting and adding new sod doesn't work long term. He recommended looking at different soils and natural turfs as well that could withstand the wear and tear better.

Dressel stated that August/September would be the best time to plant and grow sod, but that staff would likely wait until October when the soccer season is coming to an end. He expressed confidence in trying this method.

Walters asked how artificial turf is integrated seamlessly with real grass without people tripping, etc.

Dressel explained that the contractors were confident in their installation mechanisms and ensuring that there was a seamless connection between surfaces.

5.B. Fremont Fence Coating

Dressel introduced this item to the City Council. He informed that on May 23, 2023, the City Council approved staff to solicit quotes for the Fremont fence coating project. He explained that staff contacted three companies for quotes and that only one responded back with a quote.

Dressel explained that Hecksel Machine Inc. submitted a quote for the project for \$38,688.00 that would include the removal of the fence, sandblasting, galvanizing, a second sandblasting, powder coating and reinstallation. He said that budget for the project was \$40,000.

Dressel stated that if approved, the company asked if it would be possible for the city to close the street to traffic while the fence is being removed and during its reinstallation. He explained that the company felt that this would increase safety for workers and the traveling public. Dressel recommended shutting the street down during these periods. Dressel anticipated that it would take 2 days to remove

the fence and 3-4 days to reinstall. Dressel said that the public would be informed of the closure ahead of time.

Thul asked if the contractor has a timeline yet as to when they would start.

Dressel stated that there is no timeline set yet. He guessed late summer/early fall.

Pawelk liked that the project would include measures and techniques that would increase the longevity and lifespan of the fence and that something needs to be done to preserve the fence.

COUNCILMEMBER THUL MOVED TO ADOPT RESOLUTION #2023-36 APPROVING THE LOW QUOTE FROM HECKSEL MACHINE, INC. FOR THE FREMONT FENCE COATING. MCGUIRE SECONDED. MOTION CARRIED 4-0.

5.C. 5C - General Obligation Bonds, Series 2023 – Authorization Of Issuance And Sale

Foster introduced this item to the City Council. He informed that at the May 9, 2023, City Council meeting, the City Council adopted resolutions that approved the City's Street reconstruction plan and authorized the competitive negotiation of bonds for both the 2023 Street Reconstruction Project and Water Tower 2 Project. He informed that the required public hearing was completed at the May 9, 2023, meeting.

Foster informed that as part of the bonding process, the city was required to observe a 30-day reverse referendum period. He said that the 30-day period has expired and that no petitions have been received.

Foster explained that the bond sale is scheduled for June 13, 2023 at 10:30 am and that the City's financial advisor, Tammy Omdal, Northland Securities, will be providing an update to the City Council on the bond sale meeting.

Foster said that next steps would include adopting a resolution that would authorize the issuance and awarding of the sale of the \$6,090,000 General Obligation Bonds. He said that the proceeds of the bond sale would fund both projects. He provided a breakdown of the financial budget data for the projects which included the \$3 million received from the State of Minnesota.

Foster said that the closing process would be scheduled for July 11, 2023, if everything moved forward according to schedule at this meeting. Foster recommended that the City Council adopt Resolution 2023-39 authorizing the issuance and awarding the sale of \$6,090,000 General Obligation Bonds, Series 2023A.

Omdal added that the city has received seven bids at the bond sale meeting. She said that it is one of the highest she has seen for the City of Watertown. She informed that the interest rate was at 3.67%. She informed that the bond process included a rating score and that included a Moody's rating of AA3 which was a recent rating increase from a few months ago. Omdal recommended approval of the resolution.

Walters referenced the \$3 million received from the State of Minnesota. He thanked Omdal for her support through the bonding process.

MAYOR WALTERS MOVED TO ADOPT RESOLUTION #2023-39 AUTHORIZING THE ISSUANCE AND AWARD THE SALE OF GENERAL OBLIGATION BONDS, SERIES 2023A. PAWELK SECONDED. MOTION CARRIED 4-0.

5.D. 5D - Excess Liability And Cyber Security Insurance Coverage

Foster introduced this item to the City Council. He informed that at the May 25, 2023 City Council workshop meeting that the City insurance agent, Cory Mitteness, provided information on various City insurance coverage topics. He informed that one of the items that the City Council requested additional information on was the excess liability coverage premiums and limits to be considered for the 2023-2024 Insurance Renewal.

Foster explained that Mitteness also discussed additional coverage for cyber security related matters. Foster reviewed the cost information for these items that were provided by the City's insurance provider, the League of Minnesota Cities Insurance Trust.

Foster reviewed a \$500,000 First Party Cyber Quote for \$2,912.00.

Foster also reviewed Excess Liability Coverages between \$1 million - \$5 million in excess coverage with premium quotes between \$5,242 - \$11,166.

Foster stated that Cory Mitteness recommended that the city opt to include the additional \$500,000 in cyber security coverage and at least an extra \$1 million in excess coverage for a total premium addition of \$8,154. Foster stated that he is recommending the same.

Walters stated that it is important to be responsibly insured and that it is good to review and assess over time and adjust.

There was discussion on what the best level of excess coverage should be.

Walters recommended the \$2 million coverage. Thul agreed.

The City Council agreed to the \$2 million excess coverage amount and the added cyber coverage.

5.E. 5E - 2023 Shoreline Restoration Projects

City Engineer, Philipp Schrapp, introduced this item to the City Council. He informed that at the April 25, 2023, City Council meeting, staff presented the final plans and specifications to the City Council and was given authorization to bid the Crow Riverbank and Fishing Pier Improvement Project.

Schrapp informed that at that time, the project was anticipated to be over budget and therefore it was decided to bid the Fishing Block Piers as alternates. He explained that the overall project included the Mullen Property Acquisition & Upland Restoration, Stream Restoration, Boardwalk Restoration, and the Fishing Pier alternates.

Schrapp explained that bids for the project were opened on May 31, 2023 and that three bids were received. He said that the lowest bid was from Minnesota Native Landscapes in the amount of \$474,836.92. He stated that the bid included the base bid of \$395,826.92 and the Alternate Fishing Piers of \$79,010.00.

Schrapp informed that staff reviewed all the bids and based on the low bid from Minnesota Native Landscapes, stated that the construction costs of the project would be more than 26% below the engineer's estimate. He said that the bidding process was competitive, and that Minnesota Native Landscapes has successfully done projects like this in the past.

Schrapp reviewed the project budget impact and stated that the city is responsible to cash flow the projects and then request reimbursement from the outside agencies that are supplying grant funds. He informed that any project costs above the grant budget amounts are required to be paid for by the city. He went through a detailed explanation of the budget breakdown and cost data.

Schrapp explained that different grants have different requirements as it relates to funding sources. He said that funding sources sometimes can only be applied to certain project areas which may include

construction, design, construction administration, and grant administration. He reviewed a chart that provided a summary of differences between the budgeted project costs versus the actual costs (based on recent bid amounts).

Schrapp provided details on the city's budgets and grant contribution breakdowns. He estimated, based on the recent bids, that the city's contribution (without the fishing piers) would be \$242,000. He said that with the fishing piers, it would increase to \$321,000. He said that the total construction costs (without the piers) would be \$826,800 and \$905,800 with the piers.

Schrapp recommended awarding the project to Minnesota Native Landscapes to the low bidder in the amount of \$395,826.92 (base bid) and Mullen Pier.

Pawelk asked how the \$242,000 fits within the City's Capital Improvement Plan and financial plan.

Foster informed that the \$242,000 is within the 2023 CIP, which doesn't include the fishing pier costs.

Thul expressed concern over the total city cost contribution. She asked about some alternative improvements or options for the Mullen site including mowing trails throughout the site.

Walters asked about the fishing piers, how many there are, and what would be eliminated.

Schrapp explained that there are three piers and that some could be eliminated.

Walters expressed support for some additional recreation at the Mullen property besides just a trail there. He said that he would like the Mullen fishing pier to stay but would be ok reducing the two rapid waters' piers at this time.

Pawelk said that he is not "sold" on the fishing piers. He said that people find places find alternative spots to fish at all the time.

Walters said that he would like to see some sort of nice fishing at the Mullen property. He stated that he would like to see a greater use of that property.

McGuire agreed to adding more to that location.

MAYOR WALTERS MOVED TO ADOPT RESOLUTION #2023-37 AWARDING THE CROW RIVERBANK AND FISHING PIER IMPROVEMENTS PROJECT TO MINNESOTA NATIVE LANDSCAPES (ONLY MULLEN PIER). MCGUIRE SECONDED. MOTION CARRIED 4-0.

Pawelk asked that the budget impact would be if it was approved with the base bid and the Mullen only pier. He asked if it would impact other capital items.

Foster discussed other capital projects that have come in under budget and/or have been shifted that would allow for additional capital funds to be shifted.

Pawelk asked about the pros and cons of the current fishing piers. He asked what the overall cost, benefit is.

Dressel stated that he couldn't speak to either the pros or cons specifically. He said that he has seen people use the piers a lot.

Pawelk thanked everyone for the discussion and additional information. He expressed concern over the overall budget impact, but that he understands that there is some budget flexibility within the capital projects fund.

Dressel introduced this item to the City Council. He explained that the city currently has a turf sprayer that fits in the back of the City's Tool Cat and has a 12' boom on it. He stated that it works well in the big open areas such as the baseball fields, soccer fields and other wide-open spaces within the city parks. He said that it doesn't work well for spraying within small turf areas, however.

Dressel stated that staff recently demoed a stand on Toro Spray Master that is used for spraying turf. He explained that the sprayer is the same size as a 60" stand on mower and it is maneuverable in small areas. He said that the sprayer can spray from 5' to 10' wide and can also spread granular fertilizer.

Dressel informed that staff was anticipating this item to be a 2024 CIP item with a budget for a new one at \$25,000. He informed that he found a used 2020 Toro Spray Master at Lano Equipment in Loretto for \$13,500.00 with about 500 hours on it.

Dressel explained that the device would be used likely around 100 hours per year. He recommended funding the purchase with the money that was dedicated for the artificial turf soccer field project that fell through.

Pawelk asked if this equipment would be used more than the larger sprayer. He asked what the use of both would look like.

Dressel estimated the use to be a 50/50 split between the two pieces of equipment explaining that the larger areas would use the larger equipment and the smaller equipment the smaller areas. He explained that two people can spray more efficiently and effectively this way.

COUNCILMEMBER MCGUIRE MOVED TO ADOPT RESOLUTION #2023-38 AUTHORIZING THE PURCHASE OF THE 2020 TORO SPRAYER MASTER. PAWELK SECONDED. MOTION CARRIED 4-0.

Pawelk appreciated the information and the idea of purchasing a gently used item.

5.G. 5G - 635 Industrial Blvd Site Plan

Kaltsas introduced this item to the City Council. He informed that applicant, Tim Mahoney, and Rice Lake Development III, LLC (landowner) are requesting that the City consider the following action for the property located at 635 Industrial Blvd (PID 85-4610010) in the City of Watertown.

Kaltsas said that the applicants asked for a site plan review by the Planning Commission and City Council to allow for a new commercial building and the associated site improvements on the property. He informed that plans would include the construction of a new shop and warehouse for his business called Mechanical Test and Balance of Minnesota (MTB), an HVAC company.

Kaltsas reviewed the zoning as MU-BRLI (Mixed-Use Business, Residential, Light Industrial) Subzone C. He said that the 2040 Comprehensive Plan has it as Mixed Use and that the acreage is .64 Acres.

Kaltsas stated that staff reviewed the proposal, and that information was brought to the Planning Commission to review and conduct a public hearing. Since the Planning Commission meeting, Kaltsas stated that the applicant had make some minor changes.

Related to the plans, Kaltsas noted that setbacks would be met, there would be seven (7) parking spots, 30% impervious service, curb and gutter, stormwater review from the City Engineer and submission of stormwater plans to the Carver County Water Management Organization.

Kaltsas informed that the Fire Department is recommending a drive isle around the entire building for fire emergency access. He said that staff is still working on this item with the applicant and how it will work.

He said that landscaping and grading was reviewed as well. Kaltsas also went into detail about planting four (4) trees and hedges around the parking area. Kaltsas reviewed the lighting plan and the need for a signage permit if the applicant were to desire an onsite sign.

Kaltsas informed that this use is permitted within Subzone C of the MU-BRLI zoning district. He discussed the Planning Commission's recommendation for siding design and material use as it relates to the building's overall design and code requirements. Kaltsas reviewed the architecture of the building and the design standards required for the MU-BRLI District.

Kaltsas said that the applicant will be locating garage inside the building and not outside.

Kaltsas informed that a property to the west, Taylor's Meats, had a question at the public hearing relating to site access from this property to their property's two driveways. Kaltsas confirmed that there would not be access to either of the driveways from this site.

Kaltsas stated that the Planning Commission reviewed the site plan and found that it met the criteria for the site plan review process. He said that they did make the condition related to building material siding requirements. Kaltsas said that the Planning Commission recommended approval of the site plan to the City Council with the recommended conditions.

Thul asked if there would be two building colors. Kaltsas stated that there would be two colors.

Pawelk asked if the Planning Commission was overstepping its ask for the specifically requested siding materials. He asked if the city is creating a situation where issues are created in the future.

Kaltsas explained that they are meeting the 50/50 requirement and that the Planning Commission was reasonably working with the applicant to meet those requirements.

Pawelk asked about the Fire Department's request to be able to have a path around the building and if it will be possible to accommodate that request without setting precedent in the future for all these buildings.

Kaltsas referenced the City's fire code and stated that there is some subjectivity to it. He informed that the Fire Chief stated that it isn't a deal breaker, but that it would be preferred to have some sort of path. He said that the building can be reached from the north and south sides, but that having some "person paths" on the east and west sides would be preferred. Kaltsas said it is something that the Fire Chief would like to work on but that it is not mandatory.

Pawelk listed some unintended consequences of requiring bituminous paths.

Pawelk asked about outdoor storage. He stated that none is proposed currently, but what if needed in the future.

Kaltsas said that at this time it is not allowed, but if the property ever changed hands, that they would have to amend the plan.

COUNCILMEMBER THUL MOVED TO ADOPT RESOLUTION #2023-40 APPROVING THE SITE PLAN FOR 635 INDUSTRIAL BLVD. MCGUIRE SECONDED. MOTION CARRIED 4-0.

6. Other Reports

Foster provided an update on the State level THC laws and the potential option for a temporary moratorium.

Foster mentioned that more discussion would be had with the City Council on public smoking and consumption related to the new laws as well.

Walters mentioned the recent Planning Commission meeting and thanked residents for showing up and participating in the discussion on a proposed development near Tuscany Village.

Foster stated that staff is still working with the developer on changes to the proposed development and that it will come back to a future Planning Commission for additional review.

Walters stated that he was glad to see some back and forth and working to find a good solution.

Walters stated that Highway 25 is currently closed for road construction and improvements.

7. Claims

MCGUIRE MOVED TO APPROVE THE JUNE 13th, 2023, CLAIMS PACKET. THUL SECONDED. MOTION PASSED 4-0.

7.A. Claims Packet 6/13/2023

8. Adjournment

PAWELK MOVED TO ADJOURN THE MEETING AT 8:14 PM. WALTERS SECONDED. MOTION PASSED 4-0.

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

Michael Walters, Mayor

ATTEST: _____

Margaret Reisdorf, Admin. Services Director