

CITY OF FOLEY, MINNESOTA  
CITY COUNCIL MEETING – June 2, 2020

The Foley City Council held a regular meeting on June 2, 2020, at 5:30 p.m. at the Foley City Hall.

Members Present: Mayor Gerard Bettendorf, Councilmembers Jeff Gondeck, Rosalie Musachio Gary Swanson and Jack Brosh.

Members Absent: None

The pledge of allegiance was recited.

Motion by Swanson, seconded by Gondeck, to approve the agenda. Motion carried, unanimous.

### **Consent Agenda**

Motion by Gondeck, seconded by Musachio, to approve the consent agenda, which includes the following:

- Approve minutes of May 21, 2020.
- Adopt Resolution #2020-10 Appointing Election Judges.
- Approve COVID-10 Preparedness Plan.
- Approve art mural contract with Roberty McCoy.
- Approve payment of bills paid for by checks #52186-#52229.

Brosh asked about pool chemicals and Pappenfus indicated some maintenance is still needed.

Motion carried, unanimous.

### **Public Hearing – Liquor Licenses**

Mayor Bettendorf recessed the regular city council meeting at 5:31 p.m. to conduct the public hearing on the annual liquor licenses. No one spoke. Mayor Bettendorf reconvened the regular city council meeting at 5:32 p.m. Motion by Swanson, seconded by Gondeck, to approval the annual liquor licenses, contingent upon background checks and other license requirements being met. The list is as presented on the council agenda. Motion carried, unanimous.

### **Tobacco Licenses**

The list of annual tobacco licenses was presented on the council agenda. Motion by Gondeck, seconded by Brosh, to approve the licenses. Motion carried, unanimous.

### **Update on MN Legislative Session**

Senator Andrew Matthews was at the meeting to update the council on the legislative session. Matthews indicated Mekeland had a committee meeting conflict. Matthews updated the council on the work on the session with the bonding bill request. Matthews indicated Foley is competing with many other communities for wastewater money. Matthews indicated Foley was on the outside looking in and not sure why that was the case with the entire session. They were able to find \$3 million in their package with negotiating with the other representatives. This is \$7 million lower than requested of a total project cost of \$22 million. Matthews suggested starting the project and coming back for a future session. The senate bonding bill was not passed and they are hopeful it will be re-addressed in special session. Matthews indicated they will continue to push for some money. Matthews also gave an overview of the work the legislators are doing to help Minnesota small businesses re-open including a bill to allow businesses to develop a plan based on guidelines to re-open. This bill passed the Senate but not the House.

Gondeck asked Senator Matthews if he would vote for a \$1.5 billion dollar bonding bill if it had \$10 million in it for Foley's project and was made up mostly of infrastructure project. Matthews indicated assuming it was heavy with infrastructure – after seeing the final bill he said yes. Gondeck asked about how many were regional projects versus updating existing infrastructure were included in the proposal.

Brosh asked about the phased in plan and how we could possibly get any more money if the state ends up going in a deficit. Matthews indicated that is a concern and could result in more agency cuts. Musachio asked how a partial would work if the next bonding bill is in two years. Matthews indicated sometimes they don't pass but a lot of times they do. Musachio indicated how our project is critical and our town is hurting and we have already waited years. Bettendorf asked if all the destruction in the cities will impact what is in the bonding bill. Matthews indicated some reforms may be a bargaining chip in negotiating the bonding bill. Brosh asked about what would happen on June 12 – can the legislature remove the peacetime emergency order. Matthews gave an overview of the removal process.

Brunn asked about rewriting the language in the bonding bill so Foley has more options in the case the regionalization project falls through. Brunn also commented that our ponds are near the end of their life expectancy and may not have many years left. Brunn also indicated our largest private employer, a wet industry, is very dependent on Foley's wastewater improvements, along with the 2,700 people that live in this community.

Brosh asked about Becker project and the amount in the Senate bill. It was indicated the Becker project is in the Senate bill for their initial, full request of over \$24 million.

### **2019 Audit Report**

Jon Archer, Schlenner & Wenner, was at the meeting to present the 2019 audit report. Archer gave an overview of the audit process that was done remotely and indicated an overall clean unmodified opinion. No material audit adjustments. Internal controls and preparation of financial statements were the only findings which are normal. For 2019, revenues were higher than budgeted, expenditures were also lower than expected. Fund balance was about 152% of annual budget. Cash increased slightly over the year. Archer gave an overview of the revenues, expenditures, and fund balance for the governmental funds. A cash trend analysis was reviewed and it was indicated the cash position is healthy in all the funds. The utility funds were reviewed and all net positions are healthy. Assets overall have increased as well as cash. Archer gave an overview of some potential concerns with COVID-19 and cities concerns with collecting property tax collections and assessments in the future. Next year's audit will look at some of these areas more closely. Motion by Musachio, seconded by Swanson, to accept the 2019 audit report. Motion carried, unanimous.

### **Mayor's Comments/Open Forum**

Jakob Kounkel, Star Publications requested to speak to the council and issued an apology for a paraphrase he wrote in the paper from the last city council meeting. He indicated Gondeck was the lone vote against when it was actually Brosh.

### **Department Reports**

Chief Katie McMillin gave an overview of the monthly law enforcement report. McMillin also indicated we are working through some revisions with the School Resource Officer (SRO) contract if

distance learning were to continue. Brosh asked about maintenance on the squad and response of city officers to areas in the county. Brosh also asked for an update on the graduation ceremony.

City Engineer Jon Halter presented the Highway 25 Trail Bids that were received. Helmin Construction was the low bid for \$109,000. The county board officially approved the bids and will hold the contract. Motion by Gondeck, seconded by Musachio, to approve the bid of Helmin Construction. Motion carried, unanimous. Halter also presented the water tower inspection report and suggestions on maintenance moving forward. Halter indicated the structure is a good shape, not much in the way of interior paint issues. The exterior had issues of fair to poor and recommends a full repainting of the exterior in the near future. Staff is requesting to get quotes on some painting and repair to the rust and spots and do a full tank repainting in a couple years. Pappenfus indicated we do need to move forward on some maintenance. The council decided to move forward with quotes and estimate spending about \$15,000.

Public Works Director Mark Pappenfus updated the council on activities of the department. Brosh asked about a bill for tiling. Pappenfus indicated all structures/equipment were washed and sanitized. Pappenfus asked for permission to help CARE for their produce events. The council indicated no concerns with helping with the additional food distribution.

Fire Chief Mark Pappenfus presented the turnout great quote. A donation has been received to cover the costs of this equipment. Motion by Gondeck, seconded by Musachio, to approve the quote for \$61,557.15 and purchase. Motion carried, unanimous. Pappenfus also requested permission to dispose of the fire helmets. Motion by Gondeck, seconded by Swanson, to approve the disposal as presented. Motion carried, unanimous. Pappenfus asked for clarification on holding fire meetings and will proceed and practice social distancing.

City Administrator Sarah Brunn updated the council on the art project. Brosh asked about the contributions. Brunn also requested the council to decide if they wanted to impose late fees on water/sewer bills after June 30. There was consensus to proceed with assessing the late fee and also scheduling a shut-off in July. Brunn also discussed re-opening of City Hall. The council would like to see City Hall do a slow re-opening and not do much advertising for a couple weeks. The council discussed the park bathrooms and decided to keep them locked.

Brunn also requested information on refunding the 2011 bonds. A decrease in interest and proceeding with private placement could save approximately \$60,000 over the remaining term of the bond. Brunn indicated another benefit to be that it would allow both banks in town to bid on it and be a business opportunity for them. The council would have to approve the final bid before proceeding. Brunn requested the council to approve an engagement letter if they wish to proceed. Motion by Gondeck, seconded by Swanson, to approve the engagement letter. Motion carried, unanimous.

### **New Business**

Gondeck indicated he will help fix the squad armrest to save the city some money.

Bettendorf also asked about reducing liquor license fees. Motion by Swanson, seconded by Gondeck, to reduce the 2020-2021 license fee for on-sale liquor by \$400. Motion carried, unanimous.

The council reviewed the letter-to-the-editor going into the Benton County News regarding wastewater.

Motion by Gondeck, seconded by Swanson, to adjourn. Motion carried, unanimous.

*Sarah A. Brunn*

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Sarah A. Brunn, Administrator