

# Watson City Council Meeting Minutes

October 13, 2020

Present: Council Members: Carter Lokken, Todd Vogel, Cheryl Bjornstad, Jonathan Koenen, City Clerk, Nicole Koenen. Special Guest, Mark Deraney with AMKO Advisors

Acting Mayor Vogel called the meeting to order at 7:00 pm

Bruss/Compost Site was added under Maintenance and resident request was added under New Business.

**Motion to approve Agenda with additions by Vogel, 2<sup>nd</sup> Koenen m/s/p unanimously.**

**Motion to approve September 4<sup>th</sup> Special Council Meeting Minutes by Vogel, 2<sup>nd</sup> Bjornstad m/s/p unanimously.**

**Motion to approve September 8<sup>th</sup> Council Meeting Minutes by Vogel, 2<sup>nd</sup> Koenen m/s/p unanimously.**

**Motion to approve September 28<sup>th</sup> Special Council Meeting Minutes by Vogel, 2<sup>nd</sup> Lokken m/s/p unanimously.**

AMKO Advisors Proposal

Mark Deraney with AMKO Advisors was present a proposal to refinance our USDA Sewer Bond. He explained that with a lower interest rate they could save the City around \$248,000 which would allow the city to have it paid off four years earlier. The company does charge a fee of \$20,000, but this amount is included within the bond so there would be no cost to the city now. By signing the agreement, AMKO could actively get bids on our bond. They would then present the council with the bids at our next meeting if available at that time. The city would not be obligated to pay any fees unless they accepted a bid to refinance.

Council members asked about our other USDA Water Bond. Mark stated being that the interest rate is already at 2.25% we would not see any savings by refinancing that loan. He suggested that we leave that one where it is but if the city wanted to, we could include it.

**Motion to move forward and sign the agreement with AMKO made by Vogel, 2<sup>nd</sup> Koenen m/s/p unanimously.**

Maintenance Report

- Maintenance Position – The Personnel committee suggested the city turn to contracting instead of hiring a full-time maintenance position.
  - Snow Removal – The City received one sealed bid for the snow removal contract.

**Motion to accept the snow removal bid submitted by R-T Contractors for the next three years made by Vogel, 2<sup>nd</sup> Koenen m/s/p unanimously**

- Water & Waste Water Operations – After the personnel committee suggested going with Byron, who also does Montevideo's operations, he decided it might be a conflict of interest and suggested we meet with the City Administrator. Nicole and Jonathan were able to meet with them and was presented with their contract. The contract will be the same one from 2010, but the compensation would increase. Watson would also have to pay mileage. Nicole suggested raising water and sewer base rates a \$1.00 each to cover

the costs. Base rates have not been changed in six years. Costs for running our system continues to increase and these accounts continue to lose money. Council suggested that Nicole notify the residents of the increase with the next billing cycle and plan to increase rates January 1, 2021.

**Motion to enter an agreement with Montevideo for water and waste water operations by Koenen, 2<sup>nd</sup> Lokken. m/s/p Vogel Abstained.**

- Maintenance Building – The City plans to park all equipment inside and lock everything up.
- Payloader Bids - It was suggested that because we are getting a new payloader that the city put the old one up for bids. Discussion followed.

**Motion to accept sealed bids for anything over \$8,500 for the sale of the payloader by Vogel, 2<sup>nd</sup> Koenen m/s/p unanimously.**

- Brush/Compost Site - During the burn of the compost site Vogel noticed someone dumped shingles out there. Also, this week someone reported that a bi-fold door was dumped. It was decided to leave the compost site locked from now on and allow residents to check out the key at the corner store. Council suggested sending a letter in the next billing cycle to explain if this continues residents will no longer be allowed to use it.

Financial Report

- Cash Balances

**Motion to approve monthly claims by Vogel, 2<sup>nd</sup> Koenen m/s/p unanimously**

- Delinquent Accounts – Nicole notified the council of 3 accounts that are delinquent to a point where it would be difficult for them to catch up. They will be up for special assessment to their property tax roll.

Old Business

Chuck Olson Lot – Council asked that Nicole send him a letter to clean up his lot.

New Business:

- Resident request – a resident submitted a plan to place gravel next to their shed. The gravel would be in the right of way and also on the City's lot. The resident stated they would be parking a trailer next to the shed and would maintain the lot in the summer. They would move the trailer if the city requested.

**Motion to allow the resident to place gravel next to their shed and into the city lot by Vogel, 2<sup>nd</sup> Lokken m/s/p unanimously.**

Meeting was adjourned at 8:04pm.

Respectfully submitted,

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City Clerk, Nicole Koenen