

## CITY COUNCIL MINUTES – DECEMBER 1, 2020

- A. CALL TO ORDER: The regular City Council meeting and Truth and Taxation Public Hearing was held on December 1, 2020 in the city hall basement of the City of New Germany. Mayor Steven Van Lith called the meeting to order at 7 PM, Covid guidelines were applied for the meeting, those present were: Mayor Van Lith, Councilpersons Shirley Jaeger, Ty Turnquist, and Thomas Mielke. Others present were: City Clerk Twyla Menth, Shelly Eldridge and Jeanne Vogt with Ehlers. Audience members were: None
- B. CITIZENS COMMENT: There were no additional comments from the audience.
- C. APPROVAL OF AGENDA: **Turnquist moved and Jaeger second approving the agenda. 4/0**
- D. APPROVAL OF COUNCIL MINUTES: **Turnquist moved and Jaeger second approving the November 17, 2020 minutes. The motion carried. 4/0.**
- E. ITEMS TO BE DISCUSSED:
1. Shelly with Ehlers explained to Council the changes made in the 2021 FMP (financial management plan). Shelly went through the changes in Public Works; changes were for future equipment. This is equipment place holders and can be pushed out to other years if needed. Shelly explained the Fire Department pagers that were implemented into the FD FMP for future equipment replacement schedule. Net levy to the tax payors \$335,097, which is a difference of \$7,916 from the previous year. The tax rate verified with Carver County is 93.705% for 2021. The City will pay off the Fire Department internal loan of \$97,905 in 2021. Over all everything is looking great for the City and planning for the future wastewater upgrades is included in the FMP; with the planning the city can have growth, which is what is needed for the utility rate structure. Updating the FMP throughout the year is keeping the previous spikes that were happening in the property taxes; this was partially on account of the fiscal disparities. The overall goal to is to keep everything smooth and steady for the residents and the goal is being accomplished with the strategic planning.
- Utilities – Ehlers provided a Utility rate study; Jeanne reviewed the fixed charge option information with Council. Water study showed a 9% increase for the next 3 years, sewer fund 11% for the next 3 years, if there are no changes with building. Again, place holders are in place for the future wastewater improvements. Ehlers provided three options; first option (current) is raising the (all fixed rates) water rate 9% and the sewer rate 11% and nothing else changes. Fixed charge options; Option A fixed rate stays at the 28% debt service rate, no 1,000 gallons free, pay for actual water used. Option B the base rate increases to 50% Debt service, pay for actual water usage. Option C fixed rate increases to 100% debt service (highest fixed rate), pay for actual usage. Council and Ehlers discussed all of the pros and cons of these options. Council decided the third option of 100% Debt Service funding is not an option; fixed water charge would be \$76.73 per month for water only, Sewer fixed rate would be \$69.50 per month, at this time the current base rate is at about 26.46%. Council was contemplating leaving as it currently is and applying the 9% increase in water and 11% increase for sewer, or the Option A and removing the 1,000 gallons of free water and charge for actual usage; the next three years is the most critical with the bond payments. Once the wastewater issue is completed, the growth will hopefully lower the rates for the residents. It is growing pains or the perfect storm for a small city with enterprise bonds from a water & sewer infrastructure project, with little or no growth. Along with the additional issues of capacity and phosphorus limits that cannot be met with the wastewater ponds, either way the enterprise bonds have to be paid by the water and sewer rates. Council will continue to review the information and review again at the December 15 meeting; Ehlers will provide another update prior to the December 15 meeting.
2. **Jaeger moved and Turnquist second approving T-Roads 2021 liquor license. The motion carried. 4/0**

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**Jaeger moved and Mielke second approving Heimey's 2021 liquor license. The motion carried. 4/0**  
**Mielke moved and Jaeger second approving Down South 2021 liquor license. The motion carried. 4/0**

- F. SHERIFF'S REPORT: none
- G. FIRE DEPARTMENT REPORT: By laws of the FD will need to change if they chose to change how they would like to be paid. 2020 payment will stay the same; December 15.
- H. TREASURE REPORT: The Treasury report noted that the General fund balance was \$800,757.57 which includes the CD's balance of \$26,290.58. Investment account balance is \$1,012,273.92. **Jaeger moved and Mielke second approval of the Treasure report. The motion carried.4/0**
- I. APPROVAL OF CLAIMS: **Jaeger moved and Turnquist second approving claims in the amount of \$5,135.66. The motion carried. 4/0**
- J. WATER SEWER REPORT: nothing further to report.
- K. BUILDING PERMIT UPDATE: none
- L. COMPLAINT LOG: none
- M. PW REPORT: none
- N. PARKS REPORT: Santa will be here on Saturday, 9:30 AM, start at 10 AM Santa on Fire Truck cruising the streets. Planning on Christmas lights this Saturday at 1 PM.
- O. MAYORS REPORT: Nothing further to report.
- P. CLERKS REPORT: Next meeting will be all of the year end transfers, bond payments (\$240,000 approximately), all of FD payroll and Council.

Personnel policy states you can carry over 16 vacation hours into the next year; Clerk requested to carry over more of her vacation time for this year. Clerk has 3 weeks, on account of Covid she did not take a week off, days off here and there, has more hours left over. **Jaeger moved and Mielke second approving the Clerk to carryover any hours as needed. The motion carried. 4/0**

- Q. OLD BUSINESS: **Mayor Van Lith closed the Public Hearing for Truth and Taxation at 8:49 PM. The motion carried. 4/0**
- R. NEW BUSINESS:
  - 1. Council reviewed the ROW Ordinance, discussion of the fees associated with permit; Clerk provided a generic permit application. Turnquist will work with Clerk to implement into the 2021 fee schedule.
  - 2. Council reviewed the 2021 fee schedule; adjusted a few items and will adopt at the January 5, 2021.
  - 3. Council reviewed the 2021 meeting schedule; made a few minor changes, will adopt at December 15, 2020 meeting.

- S. ADJOURNMENT: **Van Lith moved and Jaeger second to adjourn the meeting at 8:50 PM. The motion carried. 4/0**

Respectfully submitted, \_\_\_\_\_ Twyla Menth, City Clerk-Treasure