

**NEW YORK MILLS CITY COUNCIL**

**April 16, 2024**

**4:30 p.m.**

**CALL TO ORDER AND DETERMINATION OF A QUORUM**

**Call to Order** The regular meeting of the New York Mills City Council was called to order at 4:30 pm in the lower-level conference room of the City Center building at 118 N Main Ave, New York Mills, Minnesota, all members of the Council having been notified of the meeting and the business to be transacted.

**Members Present** Maki, Nesland, Grotheer, Hetland, Hammond

**Members Absent** None

**Staff Present** City Clerk Julie Roberts, Administrative Assistant Cheri Kopveiler, Public Works Director Kyle Mattson, Police Chief Bobby Berndt, Liquor Store Manager Lana Jacobson, Pool Manager Harley Wurst

**Guests Present** Chad Koenen- NYM Dispatch, Michael Weber – Apex Engineering (5:09 pm), Braden Axtman-Eide Bailly via TEAMS (5:00 pm)

**Call to Order** The meeting was called to order by Mayor Maki at 4:30 pm. A quorum was present.

**Pledge of Allegiance**

**Additions, Changes or Deletions to Agenda and Approval of Final Agenda –**

**A motion was made to approve the final agenda as presented by Nesland. Motion was seconded by Hetland and carried by unanimous vote.**

**Approval of Minutes –**

**A motion was made by Hammond to approve minutes from the March 12, 2024 Regular Meeting. Hammond’s motion was seconded by Grotheer and carried by unanimous vote.**

**Communications & Recognitions - None**

**Department Reports**

**Pool Report** – Manager Harley Wurst reported. She gave a summary of the 2023 season which showed an increase in daily swimmers as well as lesson participants. 355 students took lessons, excluding private lessons. Evening sessions went very well and helped somewhat with the large numbers of private lessons. Wurst plans to continue with an evening session. Totals for 2023 included \$11,502 for lessons, \$8,260 for passes,

\$1,108.59 for candy, and \$4,166.40 for admissions for a total of \$25,036.49. Future needs included new tables with umbrellas, towel hooks, new office chairs and caulking around pool deck. Discussed raising the price for daily passes from \$3.00 to \$5.00 and also private lessons from \$25 per half hour to \$30. The cost of daily admission has been \$3.00 since prior to 2009. Nesland commented he felt \$4.00 would be more appropriate.

**A motion was made by Hammond to acknowledge receipt and review of the pool report along with raising the daily admission price from \$3.00 to \$4.00, leaving the price of private lessons the same. Motion was seconded by Nesland and carried by unanimous vote.**

**Liquor Store Report** –The Liquor Store Report was included in the packet. Lana Jacobson addressed the council. Combined gross sales for the month of March were up 1% from prior year. Combined COGS were down 1.65% as a percentage of sales from prior year. Net revenues for the month of March were down 20% from prior year. Payroll expenses were up 4.27% as a percentage of sales from last year. YTD revenues were down 2.03%. Jacobson noted that revenues reflect the purchase of the audit expense and purchase of the new POS system. POS expense was \$3,902. Clerk Roberts commented that the POS system was included in this year’s budget. Jacobson requested the Council approve the hiring of Leshay Kratzke as a part-time bartender.

**A motion was made by Grotheer to acknowledge receipt and review of the Liquor Store Report as presented as well to ratify the hiring of Leshay Kratzke as a part-time bartender. The motion was seconded by Hetland. The motion carried by unanimous vote.**

**Fire Department Report** – Fire Chief Roder’s report was in the packet. The Department responded to 18 calls consisting of 12 medical, 3 fires (1 RV/Garbage Fire & 2 Wildland), 1 motor vehicle accident, 1 wildland fire with Perham and 1 CO call. The Fire Department recommended the hiring of William Lucas and asked for the Council’s approval pending necessary background and health checks. If ratified, he will be the 21<sup>st</sup> member of the Department and leaves them just one spot short of being fully staffed. The new pumper tanker should be finished within the next two months. The Department continues to work on grants to help fund the shortfall for the purchase of the pumper tanker as well as the \$175,000- \$200,000 needed for SCBA pack replacement. Clerk Roberts is looking into a USDA grant for the SCBA packs, They will check also with Lakes Country Service Co-op.

**A motion was made by Hammond to acknowledge receipt and review of the Fire Department Report as presented along with approval to hire William Lucas to the Fire Department. The motion was seconded by Grotheer and carried by unanimous vote.**

**Police Report** – Chief Berndt addressed the council. The Department responded to 112 calls for service in March, issued 5 citations, 5 parking citations, 22 warnings and 3 arrests. Chief Berndt attended several meetings and is continuing to teach DARE.

**A motion was made by Hetland to acknowledge receipt and review of the Police Department Report as presented. The motion was seconded by Hammond and carried by unanimous vote.**

**Public Works Report** – Mattson addressed the Council. Staff has begun exercising water valves. The park restrooms have been opened for the season and they are working on sprucing up benches, picnic tables and planters. Staff is working to complete hands-on gas operator qualifications. Mattson is putting together project quantities for the 2024 street sealcoat and crack filling project locations. Hydrant flushing will be performed the week of April 22<sup>nd</sup> through the 26<sup>th</sup>. USDI has sent out public awareness mailings for the gas department.

Mattson stated they short-staffed with an employee out on medical leave. He has hired one person for part-time summer help and will be hiring a high school student as well. Mattson is still looking for one or two part-time people. Mattson is waiting for Horizon Pools to finish their portion of the pool project and is anticipating an early June opening. Mattson stated their department has had several gas calls for the stove in the Senior Center, which needs to be replaced. Discussion was held regarding sources of funding to help them do this. Clerk Roberts will meet with Louise Amberg-Jokela and West Central Initiative to see if there would be a grant. She will also help them with other options. Mike Pederson is getting quotes on a stove.

**A motion was made by Hammond to acknowledge receipt and review of the Public Works Department Report as presented. Motion was seconded by Nesland and carried by unanimous vote.**

**Open Public Forum** - At 5:00 pm Mayor Maki asked whether anyone present wished to address the Council. No one was present.

**Public Requests - None.**

**2023 Audit Presentation – Braden Axtman, Eide Bailly-** A presentation was given by Braden Axtman via TEAMS. The City received a clean audit opinion. There were no MN legal compliance issues and the audit found normal financing statements common to cities our size. The City also received a favorable bond rating as a result of positive fund balances. Liquor Store and Water, Sewer and Gas funds all show healthy balances. Operations for the City could continue for 9 months without additional funds coming in. This is above the recommended 5-month reserve. Unrestricted cash for 2022 was higher because of funds for covid and funding for South Point coming in during 2022. Braden thanked Julie and office staff for their efficiency and helping the audit go so smoothly. Mayor Maki thanked him for his presentation.

**Administration Report -** Clerk Roberts reported. There are no step raises due this month. Clerk Roberts has been taking part in the Welcoming Communities meetings. She posted and collected bids for the T19 building owned by the City. Work continues on the parking ordinances and Roberts has been assisting in getting the new POS System process started in the Liquor Store. Jenny and Cheri have been working on rotating files in the basement storage per records retention schedules. Julie is working on grant applications for City projects and trying to find available funds for the Fire Department. The City has received a purchase agreement for lot 1-6 in Country View. Roberts requested approval of this offer.

**A motion was made by Nesland to acknowledge receipt and review of the Administration Report as well as approval of the purchase agreement for Lot 1-6 in Country View. Motion was seconded by Hammond and carried by unanimous vote.**

**Committee Reports -**

**Park Board-** Clerk Roberts noted that the bench in memory of Betty Swenson has been purchased and put out in Smith Park.

**Economic Development Authority Meeting-** Draft minutes from the March 20, 2024 meeting were included in the packet. A loan extension was approved for Mills Manor at the balloon date of their loan. Clerk Roberts closed on the purchase of the 3 lots which were pending in Country View. There are now 9 lots left, one of which a purchase agreement has just been received. Julie and Latham have put together a letter of intent for

the Blandin Grant application to update Smith Park and other parks in the City. Mills Family Dentistry has opened its doors in Dr. Rachel Grieger's former office in town. The application for the Community Development Grant was approved at this meeting. The next step will be marketing the grant to the community.

**Financial Consent Agenda** – A list of claims and financial reports were included in the packet.

**A motion was made by Hammond to approve the Financial Consent Agenda as presented including additional bills submitted. The motion was seconded by Hetland and carried by unanimous vote.**

**Old Business and Tabled Items** –

**Extension of Pivot Leases** – Fraki Dairy Farm Inc. has requested an extension of their 3 leases for another 3 years through 2029 to facilitate cost-effective crop rotation of alfalfa hay ground. Clerk Roberts stated they can just extend the current lease if there are no changes to rates.

**A motion was made by Nesland to approve the extension of the 3 leases to Fraki Dairy Farm Inc. through the end of 2029 as presented. The motion was seconded by Hammond and carried by unanimous vote.**

**New Business** -

**Pavement Evaluation & Maintenance Plan Report-Michael Weber, Apex Engineering-**

Weber went over the Evaluation Report. Overall, Weber stated that the City streets are in very good condition. Weber met with Public Works Director Kyle Mattson to get a consensus of what is expected. Council discussed South Boardman Ave. Out of 8.9 miles of City streets, 2 miles are excellent, 3.2 are in fair to good condition, 2.6 miles are poor to fair and 1.1 mile was considered very poor. No roads were rated under a 2 which would have indicated they are to the point they are unusable. Historically, the City has been proactive in keeping the City's streets in good condition. This information will aid Mattson in identifying needs and deficiencies for future maintenance.

**Capital Improvement Plan 2024 Update – Michael Weber, Apex Engineering-** Weber went over the Capital Improvement Plan which lays out infrastructure deficiencies and project needs. He reported on past projects and the status of those included in the CIP. Five projects were listed, totaling approximately \$12.4 million. The highest priority for the City now is replacement of the current water treatment facility, which was built in 1967. The projected cost for a new facility is \$7 million with a target date of 2026-2027. Street rehabilitation of Township Parkway, S Boardman Ave, N Walker Ave, and S Walker Ave would be next on the calendar at a projected cost of \$645,000 and target date of 2027. A preliminary engineering report would be the next step in moving forward with the CIP.

**A motion was made by Nesland to adopt the 2024 Capital Improvement Plan as presented. Motion was seconded by Hammond and carried by unanimous vote.**

Chad Koenen left the meeting at 6:06 pm.

**Review of Parking Ordinances-** Clerk Roberts presented the drafted ordinances for final edit. Councilman Grotheer proposed that the Penalty Section be reviewed again in Ordinance #69. Nesland commented that he

would like to see several exceptions added to Ordinance #139 regarding Calendar Parking. Discussion ensued. The Council decided to work on clarification and changes to the ordinances and bring them to the next meeting for approval. In May, the Council will plan to call for a Public Hearing to be held in June.

**Call for Public Hearing for Parking Ordinances at May Council Meeting-Resolution No. 04-16-2024c –**  
This will be tabled until next meeting after further analysis.

**A motion was made by Hammond to have the Ordinance Committee work on what was discussed, refine the ordinances and call for a Public Hearing at the May meeting. Motion was seconded by Grotheer and carried by unanimous vote.**

**MPCA Recognition of the NYM Wastewater Treatment Plant for Outstanding Operations in 2023 –**  
Mayor Maki referred to the Certificate of Commendation included in the packets for the WWTP and its staff. She congratulated Kyle Mattson on this achievement, and thanked him and his department for their hard work.

**Resolution Acknowledging \$500 Cash Donation to NYM Park Board for Soccer Goals in Hidden Trails from an Anonymous Donor- Resolution No. 04-16-2024 was presented.**

**CITY OF NEW YORK MILLS,  
MINNESOTA**

**RESOLUTION NO. 04-16-2024**

**RESOLUTION ACKNOWLEDGING CASH DONATION TO PARK BOARD FROM AN ANONYMOUS  
DONOR**

**WHEREAS**, in March 2024, the City of New York Mills received a donation from an anonymous donor for the Park Board for soccer goals at Hidden Trails Park in the amount of \$500.00.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF NEW YORK MILLS, MINNESOTA THAT:** the City Council of the City of New York Mills acknowledges and accepts the cash donation of \$500.00 from the anonymous donor to the New York Mills Park Board.

Adopted this 16th day of February, 2024, by the City Council of the City of New York Mills.

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Marsha Maki, Mayor

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Julie Roberts, City Clerk

**A motion was made by Nesland to approve Resolution No 04-16-2024. The motion was seconded by Hammond and carried by unanimous vote.**

**Resolution Acknowledging \$500 Cash Donation to City of New York Mills from the New York Mills Lions Club for the Easter Egg Hunt- Resolution No. 04-16-2024a was presented.**

**CITY OF NEW YORK MILLS,  
MINNESOTA**

**RESOLUTION NO. 04-16-2024a**

**RESOLUTION ACKNOWLEDGING CASH DONATION TO CITY OF NEW YORK MILLS FROM THE  
NEW YORK MILLS LIONS CLUB**

**WHEREAS**, on March 26, 2024, the City of New York Mills received a donation from the New York Mills Lions Club in the amount of \$500.00 for the community Easter egg hunt.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF NEW YORK MILLS, MINNESOTA THAT:** the City Council of the City of New York Mills acknowledges and accepts the cash donation of \$500.00 from the New York Mills Lions Club.

Adopted this 16th day of April, 2024, by the City Council of the City of New York Mills.

Marsha Maki, Mayor

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Julie Roberts, City Clerk

**A motion was made by Hetland to approve Resolution No 04-16-2024a. The motion was seconded by Grotheer and carried by unanimous vote.**

**Resolution Acknowledging \$5000 Cash Donation to City of New York Mills from the KLN Enterprises Inc. for the Pool- Resolution No. 04-16-2024b was presented.**

**CITY OF NEW YORK MILLS,  
MINNESOTA**

**RESOLUTION NO. 04-16-2024b**

**RESOLUTION ACKNOWLEDGING CASH DONATION TO CITY OF NEW YORK MILLS FROM KLN ENTERPRISES INC.**

**WHEREAS**, in March 2024, the City of New York Mills received a donation from the KLN Enterprises Inc. in the amount of \$5,000.00 for the Pool Project.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF NEW YORK MILLS, MINNESOTA THAT:** the City Council of the City of New York Mills acknowledges and accepts the cash donation of \$5,000.00 from the KLN Enterprises Inc. for the Pool Project.

Adopted this 16th day of April, 2024, by the City Council of the City of New York Mills.

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Marsha Maki, Mayor

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Julie Roberts, City Clerk

**A motion was made by Hammond to approve Resolution No 04-16-2024b. The motion was seconded by Grotheer and carried by unanimous vote.**

**Sale of 103 & 105 South Main Ave – Closing Extension** – The purchase agreement for lots 103 & 105 South Main expired on April 15<sup>th</sup>. Clerk Roberts reported that closing has been pushed back 2 times. Roberts asked whether the Council wanted to extend the existing purchase agreement further to accommodate a tentative closing date of April 17<sup>th</sup>, or to let the agreement lapse. Discussion ensued.

**A motion was made by Nesland to extend the terms of the Purchase Agreement on 103 & 105 South Main through April 17<sup>th</sup>. If not closed at this time, the agreement will be allowed to expire. Motion was seconded by Hammond and carried by unanimous vote.**

**The Regular Meeting recessed at 6:25 p.m. for a closed session regarding the sale of the 19 North Tousley Ave. Building.**

**The Council meeting resumed at 6:39 p.m.**

**Action on Closed Session –Award of Public Bid for T19 Building -**

**A motion was made by Nesland to accept the high bid of \$350,000 for the sale of 19 North Tousley Ave. The motion was seconded by Hammond and carried by unanimous vote.**

**Sand/Salt Storage Building -Discussion-** Council discussed construction of a sand/salt storage building.

**A motion was made by Hammond to move forward with McCall Construction to build new sand/salt facility. Motion was seconded by Nesland and carried by unanimous vote.**

**Next Regular Meeting will be May 14, 2024 at 4:30 p.m. in the Council Chambers of the City Center Building located at 118 North Main Ave, New York Mills, MN.**

**Adjournment – A motion was made by Grotheer to adjourn the meeting at 6:43 p.m. Motion was seconded by Hammond and carried by unanimous vote.**

Respectfully submitted by,

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Julie A. Roberts

City Clerk(Notes taken and typed by Cheri Kopveiler, Administrative Assistant)