

## REGULAR MEETING MINUTES

Monday, December 18, 2023

### CALL TO ORDER AND DETERMINATION OF A QUORUM

The Regular Meeting of the City Council of the City of Olivia, Minnesota, was called to order by Mayor Hawkinson at 6:50 P.M.

Council Members Present: Matt Baumgartner, Blanca Ferguson, Mayor Hawkinson and Landon Padrnos.

Others present: Elizabeth Torkelson, City Administrator; Jason Krumheuer, Police Chief; Pam Whitmore, City Attorney (zoom); Justin Black, City Engineer; Kendra Lyngaas, City Engineer; Cory Hebrink, Business Owner; Ross Okins, Renville County Register; Jasmine Miller, Deputy Clerk.

### PUBLIC FORUM

Mayor Hawkinson temporarily suspended the regular meeting and opened the public forum at 6:50 P.M.

No public comments were offered so Mayor Hawkinson reopened the regular meeting at 6:51 P.M.

### AGENDA

**Motion by Ferguson, second by Padrnos** to approve the agenda as presented. Motion passed unanimously.

### CONSENT AGENDA

**Motion by Padrnos, second by Baumgartner** to approve the Consent Agenda. Motion passed unanimously.

- A. Regular Meeting Minutes of December 4, 2023
- B. 2024 Engineering Service Agreement with SEH Inc.
- C. Resolution 2023-118, Authorizing the Creation of a Joint Airport Zoning Board
- D. Airports Geographic Information Systems Contract – SEH
- E. 2024 Union Agreement – City of Olivia & Law Enforcement Labor Services
- F. Water Tower Attachment Agreement
- G. ACTS Contract for Cleaning Services
- H. Renville County Sheriff's Office Mutual Aid Agreement
- I. Resolution 2023-119, Approving Grade Adjustment for Patrol Sergeant, Aaron Clouse
- J. Amendment to the Professional Services Agreement – Community Design Group
- K. Resolution 2023-120, Approval of Donation/Contributions
- L. Police Chief Job Description Update
- M. Administrative Assistant Job Description Update

### DISCUSSION / BUSINESS ITEMS

#### Public Hearing for Assessment of Hwy 212 Water Main Project

At 6:53 P.M. Mayor Hawkinson temporarily recessed the regular meeting and opened the public hearing. City Engineer, Justin Black, addressed the Council regarding the special assessments for the Highway 212 Watermain Project. Black explained the process for special assessments and stated the project is complete with the exception of turn restoration happening in spring 2024. Black stated the total project cost was \$662,622 and the revenue bond was \$673,764. Torkelson stated she did receive one written objection from property owner Wayne Vogt. It was stated that Vogt objected stating there would be no benefit from the improvement that can be attributed to his property. Black clarified that the assessment to the Vogt property

is deferred until a connection is made. Torkelson added that Vogt understands that but still objects to it. Whitmore stated that it needs to be proven that the assessment is more than the benefit to the property.

No other public comments were offered so Mayor Hawkinson reopened the regular meeting at 7:13 P.M.

Resolution 2023-122, Adopting Assessment as Amended

**Motion by Baumgartner, second by Padrnos** to adopt the assessment roll without parcel 35-05400-00 as that parcel will be further discussed at the regular meeting on February 20, 2024 at 5:30 P.M. Motion passed unanimously.

First Reading of Ordinance 2024-01, Fine and Fee Schedule

Torkelson briefly reviewed changes to the 2024 fine and fee schedule.

Resolution 2023-123, Approval of Final 2024 Property Tax Levy

**Motion by Ferguson, second by Baumgartner** to approve Resolution 2023-123, Approval of Final 2024 Property Tax Levy. Motion passed unanimously.

Resolution 2023-124, Adoption of 2024 Annual Operating Budget

**Motion by Baumgartner, second by Padrnos** to approve Resolution 2023-124, Adoption of 2024 Annual Operating Budget. Motion passed unanimously.

Updated Personnel Policy

**Motion by Padrnos, second by Baumgartner** to approve the Updated Personnel Policy with the removal of Christmas Eve as a paid holiday. Motion passed unanimously.

Torkelson referenced a memo provided in the Council packet and highlighted notable changes found in the updated personnel policy. Padrnos objected to Christmas Eve as a paid holiday.

Electrical Fund Presentation

Torkelson presented an overview of the electrical fund cash balance, revenue, reserve and cost increases. Torkelson stated that to ensure financial viability, a utility's retail rates must be designed to generate sufficient revenue to meet operating expenses and return requirements. The return requirements for a utility must be adequate to cover interest expense, fund capital expenditures, fund transfers, achieve bond covenants, and accomplish other capital management objectives such as maintaining a desired reserve. In the case of a natural disaster that would require the system to be rebuilt, FEMA and the state would provide up to 85 percent of the costs through grants, requiring Olivia to cover 15 percent. Torkelson explained that unfortunately the City will never be able to lower utility rates since the cost of operating city utilities will not go down, but once we hit a comfortable amount in reserves, we should be able to increase rates by a smaller percentage.

No additional items or new business items were presented.

## **REPORTS**

BOLD/ Olivia Joint Powers Pool Board

Padrnos reported that the pool is dealing with repairing leaks.

Economic Development Authority

Mayor Hawkinson reported that the board discussed the small business loan project, and approved transferring property to the City.

Public Utilities Commission

Baumgartner shared that the board discussed the water tower attachment agreement

Other Reports of Council / Staff

Torkelson shared that the asbestos report is complete for property located at 611 E Lincoln and the Fire Department will use that property as a training exercise.  
Mayor Hawkinson encouraged people to participate in the community wide Christmas decorating contest.  
Baumgartner added that he enjoyed Holiday Happenings.

No additional reports were presented.

**CLOSED SESSION - Closed in Accordance with MN Statute 13.05D Subd 3(c)(1)**

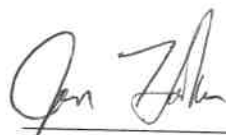
Discussion Regarding Appraisals and Asking Prices for Possible Sale of Real Property: PID #'s 35-00571-00 and 35-00580-00

**Motion by Baumgartner, second by Ferguson** to temporarily recess the regular meeting and enter into a closed session at 7:49 P.M. Motion passed unanimously.

**Motion by Padrnos, second by Ferguson** to terminate the closed session and reopen the regular meeting at 8:03 P.M. Motion passed unanimously.

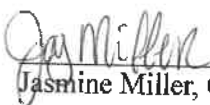
**ADJOURNMENT**

**Motion by Padrnos, second by Ferguson:** to adjourn the meeting at 8:04 P.M. Motion passed unanimously.



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Jon Hawkinson, Mayor

Attest:



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Jasmine Miller, City Clerk