

The January 8, 2018 Wahkon City Council meeting was called to order by Mayor Sandy Reichel at 6:00 pm. Councilmembers present were Tony Button, Christine Bjornson, Kim Tyson, and Ronda Bjornson-Main. Employees present were Chris Weinreich and Karrie Roeschlein. Meeting began with the Pledge of Allegiance.

CITY GOVERNMENT ANNUAL REORGANIZATION: Mayor read her recommendations. Motion by Tyson, seconded by Bjornson-Main to make the following 2018 commissioner appointments and designate city representatives as recommended by the Mayor. Bjornson-Main, Acting Mayor & Wastewater Commissioner; Reichel, Weed Inspector; Weinreich, Assistant Weed Inspector; Button, Street & Sidewalk Commissioner; Tyson, Municipal Buildings Commissioner; and Bjornson, Park Commissioner. First National Bank (FNB) of Milaca, Isle Branch, Depository; Mille Lacs Messenger, Newspaper; Althoff & Nordquist LLC, Accountant; Kennedy & Graven Chartered and Mille Lacs County (MLC) Attorney's Office, Attorneys; Short Elliot Hendrickson (S.E.H) Inc., Engineers; National Joint Powers Alliance (NJPA) Zoning Administrator; David Drown Associates Inc., Financial Advisors; and Oberfeld Insurance, Insurance Agency. Ayes: Bjornson, Tyson, Bjornson-Main, Button, and Reichel. Motion carried unanimously.

Reschedule November Council Meeting Due to Veterans Day Observed Holiday 11/12: Motion by Button, seconded by Tyson to reschedule November regular monthly council meeting to Tuesday, 11/13/2018 at 6:00 p.m. due to Veterans Day observed holiday on 11/12. Ayes: Bjornson, Tyson, Bjornson-Main, Button, and Reichel. Motion carried unanimously.

Council agreed to have planning commission meetings on the fourth Monday of the month, as well as necessary special meetings for specific workshop issues.

CONSENT AGENDA: All items listed shall be approved by one motion, unless removed. Motion by Bjornson-Main, seconded by Tyson to approve consent agenda as written. Ayes: Bjornson, Tyson, Bjornson-Main, Button, and Reichel. Motion carried unanimously.

- A) Meeting Minutes: 12/11/17, 11/13/17 & 9/11/17 Council
- B) City Hall Closed Mon. 1/15 Martin Luther King Jr. Day
- C) WAVE 7<sup>th</sup> Annual Beef Chili Cook Off & Community Input Meeting, Sat. 1/27 @ Mugg's
- D) Center Point Energy Proposed Rate Increase Public Hearings Notice
- E) David Drown Associates, Inc. Public Finance Advisors Confirming Engagement Letter
- F) 2018 IRS Standard Mileage Rate 54.5 Cents from 53.5 Cents: New Wahkon Rate
- G) 2017 League of MN Cities Insurance Trust (LMCIT) Property/Casualty Dividend \$615
- H) Charitable Gambling Report: 11/2017 Mille Lacs Drift Skippers (MLDS) \$484.92
- I) Treasurer's Report 2017 Year End Unaudited Ending Balance \$742,956.17
- J) Interim Financial Monthly Analysis Report
- K) Disbursement Register 1/8/18 Date Range 12/12/17 – 1/8/18 Total \$19,199.19

PUBLIC HEARINGS & PETITIONS: Mille Lacs Band of Ojibwe Indians Acct #94 Sewer Usage Determination: Todd Moilanen, Brownfield Coordinator, was present and doesn't dispute the 6.5 usage fees for the resort at 508 Broadway at this time but is requesting how to disconnect the resort and get usage down to one in the future. Should all lines be glued? This month city will begin process of developing new equivalent dwelling unit (EDU) ordinance with city engineer at special monthly meetings. Disconnect requirements will also be determined. Currently there is a moratorium on any reductions or disconnects until finalized. Also questioned if model townhome located across from the resort, currently not connected but being charged one usage fee, could be used as storage. These issues will be placed on the April agenda, giving them requirements to begin necessary work in the spring.

REPORTS: Wastewater (WW): Weinreich: There are pump issues and he'll be contacting WW Goetsch to take apart check valves. Force main air release valves should be serviced annually and they can do it the same day if weather allows. Motion by Bjornson-Main, seconded by Button to authorize up to \$2,000 to service force main air release valves. Ayes: Bjornson, Tyson, Bjornson-Main, Button, and Reichel. Motion carried unanimously.

Employee, Committee & Councilmember Updates: Special council meeting on 1/22 at 6 pm with city engineer Dave Blommel to discuss EDU ordinance. These special meetings will be council work sessions to review specific topics.

Snow Plowing: Weinreich has surgery scheduled and should only be gone a few days. Ross Habeck is available to plow the streets. Jason Minenko with the City of Isle was notified in case there are WW issues.

Community Toy Drive: Button & Bjornson thanked everyone who helped and donated to the drive. WAVE Committee's next project is to clean up new park land this spring and volunteers will be needed.

Community Hall: Tyson has seen frost on the base boards behind the council table and asked Weinreich to look behind them to evaluate options. Bring info to 2019 budget meeting.

Reichel apologized for not squelching an audience comment at the last meeting that Tyson lied about her sewer connection in the quilt shop/boat repair business. Tyson originally stated this business was on a separate parcel from the house. Her argument was it is mostly used by her and her husband and not open to the public, due to its location in the back. None of the council is trying to get rich by serving their community. Concerned citizens should get on the ballot please.

Isle Fire Dept. Wahkon Report: Old School Apartment Fire & Inspection: Chief David Miller was present. Fire occurred 12/20 and inspection report with 12 items was read aloud. Mille Lacs County (MLC) contacted the Red Cross which provided some assistance. Apartments were out of heat for about a day and a half. Owner Roger Jorgenson has been in contact with Miller and is working hard to get items accomplished; working with credible contractor to redesign the boiler system and have backup system. Safety railing has been installed. Looking at best options for smoke detectors. In 2014 Isle FD made a tour of the building in preparation for an emergency, which was very useful in this case. As a fireman himself, this fire has really motivated Jorgenson. Miller complimented his efforts thus far and has confidence the issues will be resolved. Council's number one concern is safety of residents, asked to be kept informed, and thanked Miller and the Isle FD for all they do for our communities. New fire department building is close to completion.

Sheriff's Report: MLC Deputy Tony Erholtz was present and responded to the fire; there were 13 calls for service last month in Wahkon. He commended the Isle FD for their service the day of the fire. Council appreciates his attendance at meetings when available. There are no pressing matters he is aware of and invited anyone to contact him with questions or concerns.

House addressing was discussed, which is vital for emergency services. City still has house numbers available; reflective numbers are best, which these are not. Clerk recalled researching blue address signs, but thought they were only allowed in townships. Council asked clerk to double check.

UNFINISHED BUSINESS: Lake Mille Lacs Scenic Byway Designation Letter of Support Example: Motion by Bjornson-Main, seconded by Tyson to send letter of support for Lake Mille Lacs Scenic Byway Designation. Ayes: Bjornson, Tyson, Bjornson-Main, Button, and Reichel. Motion carried unanimously.

NEW BUSINESS: IT Computer Services & New Computer: MN Computer Systems Inc. (MCSI): Jake Treptau was present. Previous provider of IT services is no longer in business. Mora is closest but doesn't make house calls. MCSI leases Wahkon their copier and expanded into IT services. Per Treptau refurbished computers are 3-5 years old; we purchased this one 1/2016 for \$275. Operating system and hardware are obsolete and more prone to hacking and problems. Not realistic to spend money to fix it up. Time is money and delays cost money. Could purchase computer for big box store for approximately \$400 and it would last approximately 3-4 years. MCSI custom builds computers with better hardware. For IT services strongly recommend onsite backup system for \$950 to ensure city is up and running in one business day, should a problem occur. If dependent upon Carbonite for backup data it could be 4-5 days. City could sign waiver of liability. Computer and backup system cost can be paid over time, less detrimental to the budget. IT services include quarterly onsite visits as well as help when needed via remote access. Several options for computers were provided. Bjornson-Main has been happy with services MCSI has provided her company. Motion by Button, seconded by Bjornson-Main to authorize purchase of custom built desktop with Microsoft Office Home & Business and backup equipment for \$2399.96 payable through 36-month lease option of \$76.32 per month and one-time application fee of \$75, as well as IT services for desktop and backup equipment for \$60 per month. Ayes: Bjornson, Tyson, Bjornson-Main, Button, and Reichel. Motion carried unanimously.

Treptau also checked laptops, one of which was donated by MLC after local Wi-Fi hotspot program ended. All are functioning at this time. Desktop computer shouldn't be salvaged for use, as it is only a matter of time before it stops completely. Council would like information on digital agendas using iPads for 2019 budget meeting.

Mille Lacs Area Health Foundation 2018 Donation Request: Motion by Bjornson-Main, seconded by Button to donate \$1000 from the Charitable Gambling (CG) Fund to Mille Lac Area Health Foundation toward greatest need. Ayes: Bjornson, Tyson, Bjornson-Main, Button, and Reichel. Motion carried unanimously.

Morrison County Animal Humane Society (MCAHS) 2018 Annual Impound Contract/Agreement: Volunteers can be reimbursed mileage to bring in strays. There aren't any local options; their location is in Little Falls. Motion by Tyson, seconded by Button to sign the 2018 annual impound contract with MCAHS for \$315 to be paid from Charitable Gambling (CG) Fund. Ayes: Bjornson, Tyson, Bjornson-Main, Button, and Reichel. Motion carried unanimously.

Premier Pyrotechnics Early Purchase/Additional Product & Date of Shoot: Heard complaints last year they weren't seen as well with new shoot location at Bare Ass Beach. Maybe this year people will better accommodate new location as there is no other viable option. Motion by Button, seconded by Bjornson to early pay \$3850 for fireworks in order to receive additional product, plus 10% for Premier Pyrotechnics to do the display on July 4<sup>th</sup>. Ayes: Bjornson, Tyson, Button, and Reichel. Opposed: Bjornson-Main. Motion carried.

Small Cities Assistance Program CD & Additional Funds: Originally received \$11,157 in 2015 from the State designated for street and ditch improvements. Invested into one-year CD with FNB, that was renewed for additional year with upcoming maturity on 1/15/2018 for \$11,248.30. Another round of assistance was authorized for \$7306, with final payment received 12/2017. FNB interest rates are still low for CDs, one year .65% and 3 years 1.15%. LMC partners with PMA Securities with better rates ranging from 1.76% up to 2.2% depending on number of years. Goal is to increase these funds for a future large street project. Motion by Bjornson-Main, seconded by Button to invest small cities assistance funds of \$18,554.30 into a 3-year CD for 2.2% through PMA Securities. Ayes: Bjornson, Tyson, Bjornson-Main, Button, and Reichel. Motion carried unanimously.

Open Forum: Button requested another transfer from CG Fund to Dock Fund, in order to increase the fund for a future dock. Very first transfer was recently made for last quarter 2017 and next transfer amount will be decided at April meeting for first quarter 2018 based upon balance of CG Fund at that time.

ADJOURNMENT: Motion by Bjornson-Main, seconded by Tyson to adjourn. Ayes: Bjornson, Tyson, Bjornson-Main, Button, and Reichel. Motion carried unanimously. Meeting adjourned at 7:24 pm.

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Karrie Roeschlein, Clerk/Treasurer

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Sandy Reichel, Mayor

1/8/2018 PC Meeting Minutes: To be approved at next PC meeting. None have been scheduled yet.

The January 22, 2018 Wahkon Special Council meeting was called to order by Mayor Sandy Reichel at 6:00 pm and was properly posted. Councilmembers present were Ronda Bjornson-Main and Christine Bjornson; Tony Button participated via telephone with external speaker, which could be heard by council and the public. Councilmember Kim Tyson was absent. Employees Chris Weinreich and Karrie Roeschlein were present, as well as, City Engineer Dave Blommel from S.E.H. Meeting began with the Pledge of Allegiance.

Equivalent Dwelling Unit (EDU) Future Ordinance & Water Meters Discussion: These topics were noted separately on the agenda but both were discussed together. Dave Blommel has been with S.E.H for 14 years and his specialty is USDA. He has worked with many small towns including Onamia and Ogilvie. Preliminary engineering report (PER) of our wastewater (WW) system is 85% completed with end of March deadline. This meeting is beginning of discussion on how best to charge for WW in a fair manner based upon his initial findings. Current Sewer Ordinance doesn't give template on how to charge businesses, discussed at several past meetings, and there is a moratorium on reducing account usage fees until a better system is implemented.

Gallons that flow through lift stations are tracked via Omni system but this data can be affected by age of pumps, blockages, and many other factors. Annual calibrations aren't very scientific to properly document system intake and the only reason Blommel is comfortable using this data is because of the excellent work WW Operator Weinreich does in maintenance and his wealth of knowledge of our system. Based upon our 5-year average, it costs \$0.0075 per gallon to collect and treat WW; 60% operations and maintenance and 40% debt service. Today's usage fee is \$34.61 (one EDU) and equates to 151 gallons per day per residential user. "That flow is higher than I would have anticipated for residents of Wahkon, but it is not unreasonable. The current charge is remarkably close to what it should be, given the limited resources available to staff. Without more reliable flow measurement, the current billing methodology is as good as it can be." His memo gave three options. (1) Traditional billing approach using water meters and preliminary calculations indicate a base fee of \$14 per month per EDU and about \$5 for ever 1,000 gallons used. Pending WW project could include installation and would be USDA funding eligible. (2) Calculated billing utilizing the more recently approved MN Rules 7081.0130 flow and waste concentration determination for sizing subsurface treatment systems, included in the memo, relaying on commercial establishments to self-report number of restaurant meals served, accurate hotel bed counts and number of gas station patrons. Each business would need to be reviewed separately requiring substantial staff time for inspections and follow-up. (3) Unchanged billing wherein the current discussions regarding fairness will continue. Resorts and businesses are closing more frequently which will force rates up for other users. Blommel recommends option 1 and this would be outlined in the PER as his professional opinion. USDA representative informed Clerk and Mayor that meters would be requirement for grant funds. Council agreed with Blommel to proceed with option 1.

Data will be re-evaluated over the next few years to assure finances are sufficient to run and improve the system and pay debt. If resorts and businesses continue to be sold and closed up, that will be major factor as well. Integrity of old laterals should be investigated and replaced if needed. Property owners should be given incentives to improve their lateral lines, be environmental sound in their WW usage and charged according to actual use. Disconnect and reconnect fees need to be formulated as well. The aquifer from which Wahkon obtains water is federally named and recognized by the EPA needing protection for future generations.

Per the State, owners should be expected to pay at minimum 1.5% of the median household income per utility. Wahkon's rate is a bit higher, which gives evidence of need for grant funds and should get us closer to the top of the list. Meters for Wahkon and MLIR will be included in the PER and are grant eligible.

Jeff Bertelson and Mille Lacs Band of Ojibwe Indians were informed future ordinance would include detailed requirements as to what it would take to remove connections and reduce usage fees. Council wants these requirements available at April council meeting. At minimum, any connection must be capped in such a manner that it can't be opened in middle of night. Most properties when initially connected don't have diagram of lateral installation, especially the old resorts. Some fee should be applied if sewer is available as well as disconnect and reconnect fees. Integrity of line should be factor when determining whether to re-connect and for I&I reasons. Blommel and Weinreich will fully discuss necessary disconnect requirements and bring back to council.

Currently equivalent connection (EC) fees paid in the past continue with the property. Example: Meshigun Point Properties (MPP) development didn't pay any EC fees based upon what was originally paid in the 1970's. Once disconnected shouldn't a reconnection fee or a new EC fee be applicable? Weinreich brought up Petty lateral line that crossed another private property that he believes should be accessible to other properties due to size capability, but Petty states it is private. Best policy per city engineers and attorneys is that developers pay to construct new utility lines and streets and then turn them over to the city in order to ensure proper maintenance. City hasn't followed this in the past, example MPP utility lines are their responsibility.

Today a meter costs about \$250 and the city would own them. Second meter could be purchased to document outside water use that wouldn't be billed. PER is only the beginning and Blommel estimated meter install couldn't occur until 2020. Need to know all the facts to present to the citizens about meters, especially whether Wahkon will receive grant funds. Council agreed an interim ordinance is appropriate at this time to address issues such as disconnects and reconnects but not a full EDU ordinance based on gallons until formal decision is made for meters through proper public hearings. As more information is gathered ordinance will change accordingly. Blommel believes average resident's bills would be reduced if metered and commercial accounts would see increase. Facts on average gallons used per everyday activity are available and should be part of a future public hearing on meters.

Snowplow Truck Possible Purchase: Weinreich originally discussed with Street Commissioner Button a possible option to bid on a snowplow truck from City of Milaca, however, things have now changed. For one, the new plow he saw on it has now been replaced with an old plow and likely it will exceed \$10,000. Nothing has been budgeted for this and Weinreich is willing to continue as is. He'll investigate options and discuss at budget time. He reminded council it was seven years ago the previous plow truck died in sub-zero weather with immediate need for replacement.

Set Next Special Meeting Date: Monday, February 26 at 6 pm with engineer Blommel.

Adjournment: Motion by Bjornson-Main, seconded by Button to adjourn. Ayes: Bjornson, Bjornson-Main, Button, and Reichel. Meeting adjourned at 7:14 pm.

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Karrie Roeschlein, Clerk/Treasurer

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Sandy Reichel, Mayor

The February 12, 2018 Wahkon City Council meeting was called to order by Mayor Sandy Reichel at 6:00 pm. Councilmembers present were Ronda Bjornson-Main and Christine Bjornson; Tony Button participated via cell phone with external speaker, which could be heard by council and the public. Councilmember Kim Tyson was absent. Employees present were Chris Weinreich and Karrie Roeschlein. Meeting began with the Pledge of Allegiance.

CONSENT AGENDA: All items listed shall be approved by one motion, unless removed. Bjornson-Main questioned item I, as two dates were noted as without WAVE volunteers, thus payment wasn't required. One date was Friday of Wahkon Days, we don't do the meat raffle due to lack of volunteers; Reichel said her team would be willing to do it this year. The other date we didn't have volunteers scheduled in error. Ronda and Christine said they did help, but Mugg's owner did majority. Motion by Bjornson-Main, seconded by Bjornson to approve consent agenda as written. Ayes: Bjornson, Bjornson-Main, Button, and Reichel. Motion carried unanimously.

A) Meeting Minutes: 1/22/18 & 9/19/17 Special Council & 10/9/17 Council

B) WAVE Chili Cook Off & Community Meeting 1/27/18 Results Memo

C) City Hall Closed 2/19 Presidents' Day

D) Special Council Meeting Mon. 2/26 @ 6 pm: Equivalent Dwelling Unit (EDU) Ordinance Discussion with Engineer

E) W.A.V.E Wahkon Prom Dance 8 - Midnight @ Wahkon Inn Sat. 4/28

E) Wahkon Clean Up Day 8 - 11 am Sat. 5/5

G) Donation Thank Yous: Initiative Foundation & Mille Lacs Area Health Foundation

I) Charitable Gambling Reports: 12/2017 Mille Lacs Drift Skippers (MLDS) \$1395 to WAVE for Mugg's Meat Raffle Workers; 10% Fund \$141.61

J) Treasurer's Report Ending Balance: None until after audit

K) Interim Financial Monthly Analysis Report: None until after audit

L) Tax Settlement Report \$3,840.39

M) Disbursement Register 2/12 Date Range 1/9 - 2/12 Total \$312,378.30, Less Transfers Total \$111,347.30

ORDINANCES, RESOLUTIONS & POLICIES: Resolution No. 2018-0212 Authorizing Membership in the 4M Fund: Council authorized investment of the street aid funds received from the State at last meeting and they were made, however a formal resolution is required to be passed within 60 days. Clerk questioned investor why statement was received indicating a loss of \$45.29. City paid a premium on the CD above the investment amount of \$18,000, 2.35% interest will be paid quarterly with maturity on 1/25/2021. Remaining street aid funds just under \$600 have been placed in 4M Plus Fund, 14-day restricted money market fund, as amount is too small to purchase a CD. Motion by Button, seconded by Bjornson-Main to adopt Resolution No. 2018-0212. Ayes: Bjornson, Bjornson-Main, Button, and Reichel. Motion carried unanimously.

REPORTS: Wastewater: Weinreich: WW Goetsch hasn't returned his calls for lift station #2 repairs that were approved. Quality Flow will be doing the work. New impellers were installed but pumps are still not functioning properly so they'll work on the check valves.

Employee, Committee & Councilmember Updates: Weinreich: When plowing he prefers to turn around on the north side of Radisson Avenue but Paul Larson has a fish house/shed, dumpster, and parked vehicles within the 35' right of way (ROW). This side has best visibility while the south side has a deep ditch. Dumpster and shed have been on the ROW for a long time and in years past he was



able to pull in just enough to turn around, but not at all this year. Clerk wrote note on sewer bill at beginning of winter asking him to contact Weinreich, but he never did. Building was not permitted per Weinreich. Council directed a letter be sent giving Larson until 3/1 to remove all items from the ROW.

Transportation Summit: Roeschlein attended a two-day summit in Mora last year paid for with an Easter Seals grant issued to Kanabec County & Timber Trails to ascertain transportation needs of Mille Lacs and Kanabec. Transportation Resources for You (TRY) committee began thereafter. Prior to this summit, Catholic Charities held workshops to build communities and empower families to assess Mille Lacs area needs, of which transportation was one. The Onamia Area Transportation Taskforce (OATT) was formed and has been meeting ever since. No other group besides TRY has shown interest and they are comprised of members from the northern part of MLC. TRY and OATT will combine forces and based upon the recommendation of Timber Trails, use the \$80,000 remaining grant funds. Easter Seals must approve this change. Council agreed there is a huge need.

Zoning: NJPA February report indicated Meshigun Point Properties (MPP) decided to go back to original PUD. PUD Amendment was formally withdrawn by developer and 2/12 planning commission meeting with their continued public hearing was cancelled. Permit will be approved contingent storm water plans (infiltration basin) be completed after structure is built. Clerk to verify city attorney has sent developer letter that PUD amendment has been withdrawn.

UNFINISHED BUSINESS: Independence Day Fireworks Date of Display: Premier Pyrotechnics can't do our shoot on 7/4 as hoped. Are there other companies? Yes, but Isle & Wahkon have used them for years and are extremely satisfied. Believe a company recently closed. Council thought Friday 7/6 but Isle Days is 7/5 – 7/8. Do we really need fireworks when Isle will have them on Saturday? Per votes received at chili cook off, fireworks are important, along with continuing Wahkon Days. For many years display was always on the fourth, but that was when the Isle FD did them for us. Now we contract for an operator and businesses have requested date work for vacationers. Check with Premier to see if there is anyone else we could contract with for 7/4. Button suggested Sunday 7/1. Motion by Reichel, seconded by Bjornson to have fireworks display on Thursday 7/5 unless we have opportunity to do it on Wednesday 7/4. Ayes: Bjornson, Bjornson-Main, and Reichel. Opposed: Button. Motion carried.

NEW BUSINESS: Wastewater (WW) Questions: Katrina Chang Murphy wasn't present but submitted questions via email regarding usage fee determination and sewer contractors dumping into the city system without being charged. Weinreich has informed council of allowing outside contractors to dump holding water into the system as a means to flush dead ends of which we have about one dozen and he tracks dates, manholes, and gallons. Such flushing is even more important today with all the "flushable" wipes being used that cause blockages in lines and pumps. Dumping only occurs in the spring when contractors can't get into the fields and is the same strength as what a citizen generates; it doesn't include sludge from holding tanks. Last time this was discussed per meeting minutes, was May 2014. Murphy email states a truck load is 9,000 gallons, this is inaccurate and per Weinreich the largest load would be 3000. City tanker truck could be filled up with well water to flush dead ends, costing electricity, employee and vehicle insurance, gas, employee wages, and repair and maintenance. It would require three of our loads to equal one of theirs. It costs the city .0075 cents to treat one gallon of WW or \$22.50 to treat 3000 gallons. He estimated city cost of \$33.46 per hour and each city load would take about 1.5 hours; city cost for three loads \$150.57 compared to \$22.50 to treat a contractor's load. This partnership is also a great networking tool, as contractor readily answers our call for help and sometimes doesn't charge mileage.

Mille Lacs Island Resort (MLIR) allows Nelson's Sewer Service to dump into their WW lines, of which they fully own and operate. They send all WW to Wahkon and we charge them by usage fees. Nelson's contacts the city prior to dumping with number of gallons. This topic will be discussed at the upcoming annual meeting in the spring.

Council began working with city engineer Dave Blommel in January to develop new WW ordinance at their monthly special meetings held the fourth Monday. Preliminary engineering report (PER) will be finalized soon and submitted to USDA and other agencies for grant funding. USDA will require meters which would be the fairest way to charge, based upon actual use. City is collecting sufficient revenues at this time for the system. Residents are subsidizing commercial users as they pay a bit more than what an average household would generate. Currently there is a moratorium on disconnections and fee reductions. At the April council meeting, disconnection requirements will be known, per Mille Lacs Band of Ojibwe and Jeff Bertelson request. Future WW ordinance will be ever changing, dependent upon number of disconnections, usage fee reductions, other business closures, whether grant funds will be received for system repairs, etc. Clerk will answer Murphy's questions and assure her that council is working on this aggressively.

Claims on Private Property: Debra Lawler wasn't present. Mayor stated she is very sorry this situation is causing her stress. City has a right to maintain a platted and dedicated alley according to the League of MN Cities (LMC) "Acquisition and Maintenance of City Streets" of which a few pages were included in the agenda and highlighted sections were read aloud by clerk. Wahkon Plat has dedicated language, which the Mayor read aloud. Citizen Tom Jackson questioned the difference; platted is when streets and alleys are visible on the plat map and dedication is the language of the plat indicating that all streets, alleys, parks, etc., are dedicated for public use forever. Weinreich put out lath indicating where the alley begins at the outer edge of 3<sup>rd</sup> Street ROW. The handicap ramp is within the street ROW; not that we are asking her to move it at this time, but it isn't actually on her property. If the alley wasn't there, some parcels would be landlocked. Per memo, it isn't best practice to allow private citizen use of a public ROW. Lawler requested her questions be answered by the city attorney. Per Street Commission Button, the memo specifically grants authority for ROW maintenance and council are the caretakers for the public. He is almost to the point that when the city surveys that we have more than a steel marker in the ground, but a more visible permanent above ground marker indicating ROW to the abutting properties. For example, lath showing park areas were removed within a few weeks. Mayor doesn't believe attorney needs to answer her questions at the taxpayer's expense. Button states we don't need to do it at this time as we have other needs. Bjornson-Main and Bjornson agreed. Council directed clerk to send letter with LMC memo pages.

Jackson explained history of this property as his in-laws owned it and he lived there for a while. The alley was turf and never plowed when Lawler purchased it. Some golf carts used it and property owners from 4<sup>th</sup> Street asked Jackson if they could use it back in the day. Jackson would rake out the ruts. Lilac bush was likely planted by Doctor Swennes approximately 110 years ago and was fully removed. Mayor thanked him for his input and explained how under the new meeting guidelines, discussions with audience members should not occur unless during the open forum. Reichel herself used the alley for years as owner of Walleye Dundee's. City has never given up the ROW and has begun to maintain it for drainage and visibility. Only way to divest public's interest in platted and dedicated ROW's is through the vacation process.

Computers, Investments and Balancing Bank Statements: New computer was installed but the old version of state accounting program wouldn't transfer over so there are two computers being used in the office. Backup system required for IT services through MCSI was functioning at their office but not here, possibly damage by a static electric charge, requiring another trip to install. Button

questioned if building itself needs to be grounded? Check with MCSI. City purchased newest version of state accounting program but it hasn't been activated yet as it requires much preparation; codes have changed from old to new. Audit will be conducted soon and thereafter clerk will focus on getting the new program running. Historical data from 2007 through 2017 will likely only be available in paper due to the two programs not being identical. Also, the new 4M investments will need to be entered and clerk is awaiting instructions from our accountant. Until the above work is completed treasurer reports won't be forthcoming.

Wahkon Days 2018: Scheduled for August 15 – 19. Motion by Bjornson-Main, seconded by Bjornson to contract with Hangfire for \$1700, authorize necessary street and alley closures, and annual celebration events will not be applicable to Noise Ordinance restrictions. Ayes: Bjornson, Bjornson-Main, Button, and Reichel. Motion carried unanimously. Paula Maxson & Patti Packer are willing to help with Wahkon Days.

Whole Community Long-Term Recovery Workshops: Wahkon is on the list of USDA cities and as such can attend. City has discussed emergency plans before and have old plan on book shelf. MLC plan has expired and needs to be updated prior to adoption. Clerk and Weinreich will attend 3/1 workshop in Onamia and see if it warrants participation in future workshop meetings.

Establish State Fire Escrow Account: Per LMC cities can establish a fire escrow account with the state by passing a resolution at no cost to the city. "Basically, this allows a city to recover the costs of clean up if a building in the city is damaged or destroyed by fire and the owner walks away from it." Motion by Bjornson-Main, seconded by Bjornson to have city attorney draft necessary resolution establishing a fire escrow account. Ayes: Bjornson, Bjornson-Main, Button, and Reichel. Motion carried unanimously.

Open Forum: Clerk explained currently there isn't much of a personnel policy relative to worker's compensation and because of that, Weinreich needed to use his sick bank hours for the three days he was off for his knee surgery. Sample from LMC is very lengthy and covers many topics; city has one-page ordinance. LMC would issue check to the city to compensate for payroll, but the first three days aren't covered, unless he is off 10 days or more. Can we do this without an ordinance? Reichel stated we are blessed with the best employees. Other issues not outlined in said ordinance have been implemented by motion and/or council agreement, ex: paying Button for meetings he participates in via telephone. Bereavement time and jury duty are other issues needing future clarification. Clerk to get examples of personnel policies from other cities. Motion by Button, seconded by Bjornson to replenish Weinreich 24 sick bank hours used during his three-day absence relative to his surgery from work comp injury. Ayes: Bjornson, Bjornson-Main, Button, and Reichel. Motion carried unanimously.

ADJOURNMENT: Motion by Bjornson, seconded by Bjornson-Main to adjourn. Ayes: Bjornson, Bjornson-Main, Button, and Reichel. Motion carried unanimously. Meeting adjourned at 7:15 pm.

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Karrie Roeschlein, Clerk/Treasurer

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Sandy Reichel, Mayor

The February 26, 2018 special meeting of the Wahkon City Council was called to order by Mayor Sandy Reichel at 6:00 pm and notice was properly posted. Councilmembers present were Christine Bjornson and Ronda Bjornson-Main. Councilmembers Tony Button and Kim Tyson were absent. Employees Chris Weinreich and Karrie Roeschlein were present, as well as, City Engineer Dave Blommel from S.E.H. Meeting began with the Pledge of Allegiance.

Equivalent Dwelling Unit (EDU) Future Ordinance: Blommel supplied council with a detailed memo regarding new connections, request to revise billing, request to change or discontinue use. His calculations were in accordance with MN rules 7081.0130 Flow & Waste Concentration Determination for Other Establishments. Residential would be 1 EDU and commercial users would need to provide data of projected use in order to categorize the new user in accordance with the table. Calculated flow would be divided by 150 gallons to determine EDU; 150 gallons per day is generous. Do we want to charge new customers based on the code or do we wait to do it all at one time? At this time, wastewater (WW) receipts are sufficient for operation and maintenance. Future force main replacement and other large repair costs are unknown, USDA and other grants are being solicited, and number of disconnects that occur will be factors in determining future rates. USDA will take six months to review our application and additional months to draft contract. Details will be generated over time while gathering information. Water meters would be fairest billing system with approximately 50% base rate and 50% usage; the less you use, the less you will be charged. Earliest construction or install of meters would be 2019. There is currently a moratorium on usage fee reductions. Commercial users are slightly supplemented by residential user fees per engineer. Council agreed to leave Ordinance 2010-1 as is until more information is obtained on expenses, grants, disconnects and reductions or when substantial data is known through meters.

Katrina Chang Murphy is hopeful an EDU ordinance would be adopted promptly as she disagrees with current billing of three usage fees. Blommel calculated her bill based upon data she provided in a previous memo; one EDU for the residence and 3.37 for the motel/hotel, for total of 4.37 EDU.

There is a property with two fish houses not connected to WW even though it is available. Property has non-conforming use rights as use occurred prior to new zoning ordinance. Per owner they use a chemical toilet. Consider charging a base fee when WW is available for connection.

Disconnections: Council fully agreed with engineer recommendation. Reduction to one EDU requires physical disconnection as close to main as possible. May be temporary or permanent but must require excavation to reconnect and service lateral must meet city standards. Continued use of structure may be allowed for storage. Reconnection would not require payment of SAC fee. No outside sanitary sewer service may be provided to the parcel at any time. Reduction to zero EDU is a permanent disconnection from the system requiring demolition of all structures on the previously served parcel. Future connection would require payment of a new SAC fee.

Blommel will help staff draft letter to Mille Lacs Band of Ojibwe Indians relative to their inquiry on disconnections for the model townhome and the resort properties. Removal of all old service lines is best and allows for install of new lines in the future. Even if cap was installed in manhole, buildings upon the property require a fee.

City fee schedule will need to be updated and Blommel suggests it be updated annually. Check with City of Rockville. Add "revise WW billing fee" to cover staff and engineer time. Add "I&I fee" when evidence is found thus creating incentive to fix the problem. Also consider, WW availability fee.

Set Next Special Meeting Date: Monday, March 26<sup>th</sup> at 6:00 pm. Council agreed to review personnel policy as recommended by our city attorney Kyle Hartnett who will be in attendance. Clerk to provide him with policies from surrounding communities and League of MN Cities template. Currently city has two one-page ordinances for holiday and personal paid leave. Need details on work comp, bereavement, jury duty, sick time, etc.

Adjournment: Motion by Bjornson-Main, seconded by Bjornson to adjourn. Ayes: Bjornson, Bjornson-Main, and Reichel. Motion carried unanimously. Meeting adjourned at 7:10 pm.

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Karrie Roeschlein, Clerk/Treasurer

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Sandy Reichel, Mayor