

City of Oronoco

City Council

MINUTES

February 21, 2023

Regular Meeting @ 6:30 pm

<https://us02web.zoom.us/j/87357004539>

I) **CALL TO ORDER**

Mayor Eichhorst called the February 21 regular council meeting to order at 6:30 p.m.

II) **ROLL CALL**

Council Present: Mayor Eichhorst; Councilors Phillips, Bergner, Richards with Councilor Krause finally able to connect via ZOOM at approx. 6:50 p.m.

Staff Present: Consulting City Engineer Joe Palen, Stantec; with City Administrator Bjorklund Schultz and Deputy Clerk Ranae Rohe via ZOOM

III) **APPROVAL OF AGENDA**

Administrator Bjorklund Schultz requested the addition of two items to the list of topics under Item IX) New Business, specifically EDA Budget and CEDA contract as numbers 5 and 6, respectively.

**Motion by Phillips; second by Eichhorst to approve the agenda as amended at the request of the City Administrator. Voice vote followed; motion carried (4-0).**

IV) **PUBLIC FORUM (3-minute time limit per person)**

After introducing the public forum followed by three calls for comment, Mayor Eichhorst closed the public forum section of the meeting at 6:36 p.m.

V) **PUBLIC HEARING RE: ESTABLISHING ORONOCO ECONOMIC DEVELOPMENT AUTHORITY (EDA)**

Mayor Eichhorst provided an introduction as to the purpose and intent for establishing an Economic Development Authority, commonly known as an EDA, for the city of Oronoco. The mayor read defining sections from the proposed resolution aloud for the audience and opened the Public Hearing at 6:38 PM.

- Marty Walsh, attending via ZOOM, of Minnesota energy coop resident of the city living at 1775 Lake Shady spoke two council and audience expressing that the coop was totally in favor of establishing an EDA and commended council on bringing this great idea to the city.

Mayor Eichhorst, after three calls for further comment, closed the public hearing at 6:40 PM.

Discussion then returned to the council for further comment and consideration After which:

**Motion by Eichhorst, second by Phillips, to adopt resolution 2023-05 enabling the creation of an economic development authority in the city of oronoco Olmsted County Minnesota.**

**Roll call vote followed; motion approved 4-0. (Counselor Krauss unavailable during vote).**

VI) **DEPARTMENTS & COMMITTEE REPORTS**

A. **OCSO – Sgt. Mark Chambers**

1. **Incidents/Calls – January 2023**

Sergeant Chambers arrived with perfect timing to review his January activity report with Council, hear any concerns, and answer any questions. The report for January 2023 shows a total of 38 calls for

service in the city of oronoco. The reduced speed limit on Timberline which is posted at 20 mph continues to be monitored. Chambers asked if counselors had any other areas of concern.

Counselors Richards and Phillips responded to Chambers that the self-storage facility had a lot of cameras and a lot of good lighting but wondered why the gates were left open and not closed during the evenings. Chambers agreed to follow up stating that closing the gates could help reduce suspicious behavior. Counselors Richards and Phillips relate that they had heard reports of people entering and using vacant units. Chambers said that he had heard of that behavior occurring in other cities but had not heard of it occurring in Oronoco.

Chambers was thanked for his attendance and report. City Administrator Bjorklund Schultz informed the council that Sheriff Torgerson, and Sergeant Chambers if he was available, would be attending the March 21 Council Meeting. Chambers acknowledged the planned meeting with Torgerson stating that contract renewals are underway for next year.

**B. WATER & SEWER – CITY ENGINEER JOE PALEN**

1. February 14, 2023, Minutes -UNAPPROVED  
Copies of the February 14, 2023 unapproved minutes of the water and sewer committee meeting were included in the Council packet.
2. WWTF Contract 1 Project Update  
Consulting City Engineer Joe Palen provided an update of the WWTF Contract 1 progress and a copy of his February 6, 2023 memo was included in the council packet.
3. WWTF gas service  
Consulting City Engineer Joe Palen provided an update of the revised price quote to run the gas line to the facility, which exceeds the utility allowance built into the project budget, and noted the option of using propane until another possible user were to run the gas line. Of course using propane would require changing out fittings within the facility and then, once natural gas is available, changing them again. Since there is a bit of time available for the decision, consent was to take a wait-and-see approach at this time.
4. Sanitary Sewer Collection System and Watermain Improvements Contracts 2-3  
Consulting city engineer Joe Palin provided an update of the sanitary sewer collection system and water made improvement contracts 2-3.
5. Resident Notice #17 #18  
City Administrator Bjorklund Schultz stated that the resident noticed was actually number 18 and is available to the public at City Hall and on the city's website and Facebook pages. A copy was also included in the council packet
6. WWTF Contracts 2-3 Change Order #2 (1% payment reduction for pavement density totaling \$7,368.55)  
Consulting City Engineer Joe Palen informed counsel that Change Order Number 2 under Contracts 2-3 had been signed off on by the contractor earlier in the day. Palen explained the justification behind the Change Order #2 resulting in a deduct of \$7,368.55 and was before council for their approval.  
**Motion by Eichhorst second by Bergner to approve Contracts 2-3 Change Order # 2 in the amount of \$7,368.55 as presented. Voice vote followed motion carried 5-0.**
7. Quote for Oronoco Park Grinder Station (solicitation was approved at Jan. cc mtg)

Consulting City Engineer Joe Palen reported that although he had spoken with the contractor verbally no written quote for the grinder station at Oronoco Park had been received. Palen did indicate that he thought there would be no issue from the contractor in providing that service at contract pricing.

8. Real Property Declaration (RPD) and RPD Waiver Certification

Consulting City Engineer Joe Palen providing an overview regarding the February 6th, 2023, letter he received from the State Management and Budget Office commonly referred to as MMB regarding the Real Property Declaration Waiver request for properties owned by the City. Executing these certifications is another part of the requirements of the Phase One project. As a matter of record, Palen and City Administrator Bjorklund Schultz asked for Council approval for the mayor and city administrator to execute the certification on behalf of the city.

**Motion by Eichhorst, second by Phillips to authorize the mayor and city administrator to execute the general obligation bond finance property certification on behalf of the city of oronoco. Voice vote followed; motion carried 5-0**

**C. PUBLIC WORKS**

1. Generator shut-off Actuator (Dolan memo)

A memo from Public Works Director Cain Dolan Regarding ongoing diagnostics for repairing the cities generator was included in the council packet. All agreed the additional requested repair was still far less than projected cost for replacing the generator.

**Motion by Eichhorst, second by Bergner to approve additional repair quotes from RDO equipment company in the amount of \$1580 as recommended by the public works director.**

**Voice vote followed; motion carried 5-0.**

2. Water meters (Dolan memo)

A memo from public works director Cain Dolan regarding a purchase of additional water meters was included in the council packet. It is noted that the Phase One a project calls for 129 water meters. 60 meters were ordered in October and have yet to be received thus Dolan is requesting authorization to proceed with placing an order for an additional 60 meters preemptively. The city currently has 9 meters on hand.

**Motion by Bergner second by Phillips to authorize purchase order for an additional 60 meters as recommended by the public works director.**

**Voice vote followed; motion carried 5-0.**

**D. FIRE DEPARTMENT**

1. Minutes of January 9, 2023

Copies of the OFD January 9, 2023, meeting minutes were included in the council packet. The minutes document the duly elected results of elections with Dan Sundt remaining as Fire Chief, Cain Dolan as First Assistant Chief and Adam Schaeffer as Second Assistant Chief.

2. Activity

A memo from Fire Chief Dan Sundt was included in the council packet. In addition to reporting runs made and Skywarn spotter training that will occur in March, the chief requested pre-approval for two specific items exceeding the limit of \$500 as follows:

- a) 5 Sets of Turnout Gear at a cost of \$15,095 as quoted by Fire Safety U.S.A; and
- b) A new/second gas detector w/pump at a cost of \$900 as quoted by Fire Safety U.S.A.

In addition to these two preauthorization requests two bills require council approval prior to payment because they exceed the \$500 threshold. They are as follows:

- a) \$3,000 to Riverland Community College for FF1/FF2 Hazmat training for Brase and Bachman; and

b) \$1,110 to Fire Safety U.S.A. for T2 pump panel lights (previously approved in early 2022)

Motion by Phillips second by Richards to approve the pre-approval requests for Turnout Gear and a second gas detector with pump as noted above and to approve payment to Riverland and Fire Safety USA invoices as noted above.

Voice vote followed; Motion carried 5-0.

**E. ORONOCO FIRE RELIEF ASSOCIATION**

1. Minutes of January 9, 2023

Copies of the OFR January 9, 2023, meeting minutes were included in the council packet.

**F. FIRST RESPONDERS**

1. Minutes of January 2, 2023

Copies of the OFR January 2, 2023, meeting minutes were included in the council packet.

2. Activity

A memo from Fire Chief Dan Sundt was included in the council packet reporting activity of the First Responders for January along with informational items regarding upcoming Citizen CPR training scheduled for February 23rd at 6:30 PM for anyone 12 years and older; informing council that Space Concepts will be installing the new Fire Hall cabinets in early March; And three bills each less than \$500.

The memo from the Fire Chief also included a request that council approve purchase of a portable suction unit at a quoted price of up to \$700. Tonya Dreesman approached the podium to report that the cost had increased by \$100 and that the First Responders request for approval was now increased as well. Dreesman noted that the new unit will have replaceable batteries unlike existing units.

Motion by Phillips, second by Bergner to approve purchase are the portable suction unit at a cost of up to \$800.

Voice vote followed; motion carried 5-0.

**G. EMERGENCY OPERATIONS**

No report.

**H. STREETS & ROADS**

1. Potholes

Consulting City Engineer Joe Palen reported that Public Works Director Cain Dolan had installed some cold patch in potholes that are particularly deep. Palen also noted that the Lake Shady Avenue area which is affected by the phase 1A project will receive a new surface in the future.

City Administrator Bjorklund Schultz asked Palen to confirm that the city currently has no Street Management Plan in place. Palen acknowledged there is a sealcoat plan with sealcoating planned for specific streets every two years, but no overall Street Pavement Management plan.

**I. PLANNING & ZONING**

1. ~~2022 Building Permit Activity report~~ → Item deleted; no report available for meeting.

2. Minutes of January 12, 2023, Meeting – APPROVED

Commission meeting minutes were included in the council packet. These minutes were approved by the Commission on February 9, 2023.

3. Minutes of February 9, 2023, Meeting – UNAPPROVED  
Copies of the February 9, 2023, minutes of the planning and zoning Commission meeting were included in the council packet. These minutes have not yet been approved.

4. **Resolution 2023-06: Approving Lot Split for Tilly’s Restaurant and RV Park**

As noted in the February 9, 2023, minutes of the Planning and Zoning Commission, a Public Hearing was held prior to the Commission reaching its decision to recommend to council the approval of a lot split between Tilly’s Restaurant and the adjacent RV Park. The Planning and Zoning Commission unanimously recommends approval with conditions as outlined by city staff and consultants and stated within the proposed resolution.

**Motion by Phillips, second by Richards to adopt resolution 2023-06 approving the lot split 1175 Lake Shady Avenue subject to conditions as presented.**

**Roll call vote followed; motion carried 5-0.**

**J. PARKS & TRAILS**

1. Minutes of February 6, 2023, meeting  
Copies of the February 6th, 2023, minutes of the parks and trails committee meeting were included in the council packet. These minutes are unapproved.

2. Music in the Park

Councilor Bergner, liaison to the Parks and Trails Committee, provided a memo on behalf of the committee relaying the proposed dates/times, performers and proposed costs for Music in the Park events as follows:

June 4, 2023, 7-8 PM Triple Berry pie \$200  
July 2, 2023, 7-8 PM Uptown Jazz \$500  
July 23, 2023, 7-8 PM Classic Brass Quintet \$350

Bergner's memo also notes that the committee requests that all events be held Oronoco Park, with access to the shelter and restrooms, and that Council waive any park rental fees.

**Motion by Bergner second by Phillips to approve the expenditure of up to \$1200 for music in the park events described above and without park rental fees.**

**Voice vote followed; motion carried 5-0.**

3. Committee Recommendation to Council to pursue acquisition of (park) land

Councilor Bergner, liaison to the Parks and Trails Committee, provided a memo on behalf of the committee recommending that council on behalf of the city pursue the possibility of obtaining land adjacent to Highway 52 and Lake Shady similar to how the county transferred the old lake bed to the city. The committee feels this land could greatly enhance the parks and in particular provide a walking path between the East and West sides of the city under the highway. The three properties, peninsulas, are highlighted in a new document that was included with Bergner’s memo in the count packet.

Mayor Eichhorst contributed additional information that Minnesota Management and Budget (MMB) had asked the DNR to sell off the three parcels back in 2015. At that time the appraisal indicated a value of \$9,000 but the state also wanted the city to build a fence along Highway 52 at an estimated cost of \$25,000-\$30,000. Given that information the city wasn't interested. Later, in 2018, the county

transferred the lake bed property over to the city. With that transfer, reconsideration of acquiring the peninsulas resurfaced in the background.

**Motion by Eichhorst, second by Phillips, to pursue acquisition of the three land peninsulas preferably at no cost to the city.**

**Voice vote followed; motion carried 4-0 with Counselor Bergner out of the room at time of vote.**

4. ZRRWT Revenue/Expenditures

A recap of revenues and expenditures associated with the Zumbro River Regional Water Trail was included in the council packet. As of February 16, 2023, the remaining balance available is \$14,584.34.

**K. PERSONNEL/COMMUNITY CENTER**

Council was apprised of the following informational items (1-6):

1. Mayor Eichhorst attended SEMLMC meeting (January)
2. Local Board of Appeals Training (LBAE) was completed by Councilors Bergner (for 2023) and Richards for (2024)
3. Councilor Phillips was approved to attend LMC City Day on the Hill, March 9
4. MCFOA Training was approved for Deputy Clerk Rohe (March)
5. Pesticide Training was approved for PW Assistant Matzke (May)
6. Pesticide Training was approved for PW Assistant Kingsley (June)

7. Request to Adjust Approval Thresholds for City Staff (Bjorklund Schultz memo)

City Administrator Bjorklund Schultz reviewed her memo as included in the packet with the council. The memo relayed past practice regarding the council approval requirements for anything over \$500. The city administrator noted that this results in unnecessary delay between incurring an expense and payment of that expense. Bjorklund Schultz noted that she has observed instances where council is asked to approve expenditures after the fact as well. With this in mind, the city administrator recommends increasing certain approval thresholds for staff as follows:

Up to and including \$500 for line staff subject to pre-approval of Department Head

Up to and including \$1,500 for Department Heads in charge of budgets (Fire Chief, PW Director, Deputy Clerk) subject to pre-approval of City Administrator

Up to and including \$3,000 for City Administrator

Anything over \$3,000 to continue to require Council pre-approval

**Motion by Eichhorst to approve increasing approval thresholds as recommended. Second by Phillips.**

**Voice vote followed; motion carried (5-0).**

8. Staffing Update

City Administrator Bjorklund Schultz reported the following:

- a) The vacancy created by the resignation of Jim Ackman in the public works department has been filled.
- b) Progress is being made to fill administrative department positions as well. Given this week's forecast, interviews for the two-part time administrative positions have been preemptively cancelled for this week and rescheduled to next week. One issue to be resolved is creating appropriate workspaces for administrative staff. This is an item for discussion at the proposed workshop proposed by Bjorklund Schultz under item IX: New Business.
- c) Seasonal positions will likely be posted the end of March. The administrator and public works director have yet to determine whether the city will have 3 or 4 seasonal workers depending upon

budgets and the public works directors proposed scheduling of those workers. Last year the three seasonal workers were scheduled for three days. This year it may be that a staggered schedule will allow 4 workers over the week. City administrator Bjorklund Schultz noted that there was a time when the city had only two seasonal workers with a third approved by council only last year. While the budget projected employing 4 seasonal employees actual hires may or may not total 4.

**L. DOWNTOWN ORONOCO GOLD RUSH DAYS (DOGR)**

1. Minutes of February 14, 2023, meeting – UNAPPROVED  
Copies of the February 14, 2023, DOGR meeting minutes were included in the council packet.
2. Resolution 2023-07: Amending earlier Resolution 2023-02 to move Gold Rush meetings to the first Thursday of the month at 6:30 p.m.  
As noted in the February 14, 2023, gold rush committee unapproved minutes, the committee would like to change its meeting day and time from the first Monday at 6:00 PM to the first Thursday of the month at 6:30 PM. This change will allow the group to meet in council chambers at City Hall and have access to the city's audio/visual systems.

**Motion by Eichhorst, second by Phillips, to adopt resolution 2023-07 amending earlier Resolution 2023-02 as presented to document the change of day and time for the Gold Rush committee meetings.**

**Roll call vote followed; motion carried 5-0.**

**VII) PETITIONS, REQUESTS & COMMUNICATIONS → None.**

**VIII) UNFINISHED BUSINESS → None.**

**IX) NEW BUSINESS**

**A. Schedule Workshop to Discuss Specific Topics**

City Administrator Bjorklund Schultz requested that council schedule a workshop, prior to the next council meeting, for the purpose of discussing the following six topics, some of which affect another:

1. Committees (extension from 11/22 special meeting) – Gold Rush and other nonprofits  
This is a carryover from a November 2022 special meeting and is intended to resolve the issue of whether or not Downtown Oronoco Gold Rush Inc. should be treated as a standing committee and how other nonprofits within the city ought to be treated.
2. Office and Committee Space allocations  
As noted earlier creating appropriate workspace for administrative staff is an increasing priority as the two part time administrative positions are filled, and the city contemplates bringing on another part time contract position under the seed of contract for services.  
Bjorklund Schultz noted that the city has three long-term tenants with seemingly ambiguous rents: one pays \$1 per year; one pays \$100 per year; and one pays \$1,000 per year. None of these align with the current fee schedule and should have some rationale.
3. Fund 600 Water Utility Budget  
Public works director Cain Dolan is working on the water utility budget for Fund 600. Utility Funds are considered enterprise funds, and are designed to be self-supporting. In speaking with Dolan last week, Bjorklund Schultz noted that Dolan was recommending a 4% increase for the water utility. Ultimately, the fees established for the water utility will carry over to the newly established sewer fund 602.

4. 2023 Fee Schedule

The feedback coming out of item 3 will be incorporated into the proposed fee schedule for 2023. Bjorklund Schultz said there are other items she would like council to weigh in on as well.

5. EDA Budget

Having adopted the Enabling Resolution 2023-05 to establish an EDA, council will need to consider a budget allocation for the EDA's use.

6. CEDA Contract for Services

Council will recall a contract with CEDA executed in 2022, with a limited remaining balance rolling into 2023. That contract is intended to have a CEDA rep on site on a regular basis. Given new rates for 2023, council will need to determine what is appropriate as the EDA is organized for activity.

Motion by Eichhorst, second by Bergner, to schedule a special council workshop for Tuesday March 7, 2023, at 5:30 PM. The meeting will occur in council chambers at City Hall as is customary.

Voice vote followed; motion carried 5-0.

X) **CONSENT AGENDA**

Motion by Eichhorst, second by Richards, to approve the Consent Agenda as noted below.

Voice vote followed; motion carried 5-0.

1. Staab construction Pay Request #14 for \$394,986.25
2. Fitzgerald Excavating & Trucking Pay Request #12 for \$767,382.12
3. FINANCIALS
  - a. Water Summary for January 2023
  - b. Invoice Status Report for January 2023 totaling \$964,826.21
    1. General Fund 100 \$ 158,897.87
    2. 2013 GO Bond CIP-Shop \$ 27,348.00
    3. 2017 Zumbro Hills GO Bond \$ 15,622.75
    4. WAC/SAC Fund 410 \$ 760,334.35
    5. Water Fund 600 \$ 2,623.24
  - c. Frandsen Bank & Trust – January 2023 checks 6805-6832 totaling \$964,826.21
  - d. EFT Payments for January 2023 totaling \$46,673.42 (includes 2022 council pay)
  - e. Frandsen Bank & Trust Account Summary
  - f. Budget Comparison as of December 31, 2022 (with YTD actuals as %age of CY budget)

XI) **ADJOURNMENT**

Motion by Bergner, second by Phillips, to adjourn the February 21, 2023, regular council meeting at 8:30 PM.

Voice vote followed; motion carried 5-0.

Attest:

  
Sunny Bjorklund Schultz, City Administrator

  
Ryland Eichhorst, Mayor