

Jackson, Minnesota  
December 15, 2020

The Jackson City Council met in regular session in the Council Chambers of City Hall and also by Teleconference and Zoom at 6:30 p.m. on Tuesday, December 15, 2020 with the meeting called to order by Mayor Wayne Walter. On the roll call, the following persons were present, Mayor Wayne Walter, Aldermen Larry Anderson, Brandon Finck, Dave Cushman and Nathan Peterson. Also attending in-person were City Administrator Matt Skaret, City Attorney Brad Anderson, Jackson Fire Chief Dave Bond, Street Superintendent Phil Markman, Engineer Greg Mitchell of Bolton and Menk, Luke Ewald, John Weland, President of the Jackson County Animal Protection Society and City Clerk/Council Secretary Dave Maschoff. Attending via Zoom and Teleconference were Alderman Jeffrey Gay, Jackson Fire Department First Assistant Chief Michael Haeffner, Jackson County Sheriff Shawn Haken, Phillip Perro, Mary Leach, Julie Kiehl, Justin Lessman of the Jackson County Pilot and Dave Schmidt of KKOJ/KUXX Radio. (Alderman Matt Madden was absent.) (A quorum of the City Council was present.)

#### **PLEDGE OF ALLEGIANCE**

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Mayor Walter announced the Pledge of Allegiance would be recited before the City Council meeting was called to order. All those attending recited the Pledge of Allegiance.

#### **CALL THE MEETING TO ORDER**

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Mayor Wayne Walter called the regular meeting of the Jackson City Council to order. He said the roll call showed all Councilmembers were present except for Alderman Matt Madden. Mayor Walter noted Alderman Jeffrey Gay was joining the meeting via Zoom.

#### **PUBLIC HEARING: TRUTH IN TAXATION PUBLIC HEARING**

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Mayor Walter asked for a motion to open the Truth in Taxation Public Hearing.

**CUSHMAN/FINCK moved and it was unanimously carried to open the Truth in Taxation Public Hearing.**

Skaret said the Truth in Taxation Public Hearing is a hearing that's required by the State of Minnesota as part of the City's budgeting process especially pertaining to the property tax levy.

Skaret noted back in September, the City Council approved a preliminary tax levy of \$1,656,388 representing a 5.9 percent increase over the past year. He said with the intent of lowering the levy below 5.9 percent, the Finance Committee worked hard and was able to whittle that number down to \$1,594,498 or a 1.94 percent increase. Skaret said last year, the City ended up with about a 2.9 percent increase.

Skaret said the Truth in Taxation Public Hearing is for the general public to offer any comments.

After waiting and not hearing any comments or questions from the public, Mayor Walter entertained a motion to close the Truth in Taxation Public Hearing.

**ANDERSON/CUSHMAN moved and it was unanimously carried to close the Truth in Taxation Public Hearing.**

**There were no Bid Lettings or Open Forum.**

## **CONSENT AGENDA**

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Mayor Walter entertained a motion to approve the Consent Agenda.

**FINCK/ANDERSON moved and it was unanimously carried to approve the Consent Agenda as presented.**

## **Unscheduled Guests:**

Mayor Walter asked if there were any unscheduled guests at the meeting. He again asked if there were any unscheduled guests at the meeting.

Seeing no unscheduled guests, Mayor Walter said the City Council would proceed with Council Discussion items.

## Council Discussion Items

### **JACKSON COUNTY ANIMAL PROTECTION SOCIETY**

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John Weland, President of the Jackson County Animal Protection Society, thanked Mayor Walter and the City Council for having them at the meeting.

Weland said in December of last year, Mayor Walter asked to have a committee formed to determine the extent of the stray animal issue in Jackson. He said it was determined it was Countywide issue.

Weland said in January, 2020, the Jackson County Animal Protection Society incorporated as a non-profit organization in the State of Minnesota. He said in March, 2020, the Society received their 501-C-3 status making them a charitable organization. Weland said in August, the Society became GuideStar compliant. He explained GuideStar is the agency that's non-profit so that makes the Jackson County Animal Protection Society eligible for Facebook donations, PayPal donations and Amazon Smiles.

Weland said in November, the Jackson County Animal Protection Society published a calendar as a fundraiser. He said they asked local businesses to sponsor ad spots on the calendar. Weland explained the calendar was comprised of three separate components of fundraising. He said the fundraising included having people submit pictures of their pets to be featured in the calendar and then having people vote on the submissions, selling ad space on the calendars to businesses and then selling the calendars to the public for donations.

Weland said the Jackson County Animal Protection Society has some ongoing fundraisers like Bonfire and GiveMN. He said Bonfire allows the Society to do tee-shirt designs and things like that for fundraising. Weland also mentioned Facebook and Amazon Smile as part of the Society's fundraising efforts. He noted most people in the community have Amazon to some degree. Weland said people can choose the Jackson County Animal Protection Society as a charity on Amazon. He said there is no cost to the person as a buyer of a product, but Amazon gives a portion of what's spent back to the Society.

Weland reported the Jackson County Animal Protection Society took in a total of 16 animals. He said four were adopted, three were reunited with their owners and there are three adoptions pending. Weland said the rest are young kittens too young to be neutered. He said the Society tends not to adopt those young kittens out until they are neutered because if they do, they are just kind of propagating the problem of too many stray cats.

Weland said the Animal Protection Society has received donations of \$1,289 as well as a \$500 grant from the Southwest Minnesota Initiative Fund.

Weland said the Animal Protection Society's biggest issue has still been finding a building. He said if they find a building that's affordable, it's not properly zoned and if they find a building that's properly zoned, it's in horrible condition and not worth the money that's being asked to purchase the building.

Weland said the unofficial answer from the other places around Jackson County is they would love to support the Animal Protection Society, but they want to see Jackson step forward first to do something.

Weland said the Animal Protection Society has suggested a number of buildings for a shelter that they've inquired about at City Hall, but have found out the buildings weren't properly zoned to be used as an animal shelter. He said he didn't know if they need to put something forward to get a building that's affordable rezoned or if that's even a possibility. Weland said perhaps the City or the County has a building that they're paying money on but not using. He suggested, in that case, it could be a tax write-off as a charitable donation.

Weland said the Animal Protection Society also has plans to move forward with a pet supply store as a means of opening a business in town that could then put money back into the community for opening an animal shelter.

Weland noted the Animal Protection Society calendars are for sale for \$10 as part of their fundraising efforts. He noted he brought calendars to the Council meeting if anyone would like to purchase one. Weland said the calendar was designed by his wife.

Skaret noted Weland had mentioned about the zoning regarding the location of an animal shelter. He said the Animal Protection Society has inquired about a few different locations. Skaret said he and City Zoning Administrator Dave Maschoff have looked at the zoning map and those proposed locations have been in residential or commercial areas.

Skaret said a pet store would be properly zoned in the downtown commercial area but an animal shelter for the boarding of animals is where it gets to be tricky and they run into problems.

Alderman Anderson asked Weland if there was a minimum amount of space that the Animal Protection Society needs for an animal shelter.

Weland said that all really depends on the influx of animals. He said the more space they have, the more animals they will be able to handle. Weland said finding a pre-existing building that's going to meet all their needs right out of the gate is probably less likely. He pointed out once they have a building, they will be officially subject to state inspections. Weland said they will have to have a quarantine area for new animals coming into the shelter and separate spaces for animals of various sizes and species like cats and dogs. Weland said there has to be enough room for outdoor runs. He said honestly, they are probably looking at an acre to two acres that includes the building, parking lot and run area. Weland said it's definitely been challenging.

Alderman Jeffrey Gay said he's been included in all of the messaging between the members of the Jackson County Animal Protection Society talking about animals. He said he commends all of the Society's members for the efforts they're putting in and how they want to go forward with this. Gay said he thinks the City of Jackson needs to help promote this to make sure they get an animal shelter off the ground and that the other communities follow suit. He said if the City of Jackson wants to be the leaders of this and get it going it's not only good for the animals, it's good for the community as well as other animal owners. Gay said if the Animal Protection Society can turn it into a viable business it's even better.

Weland mentioned Jackson County is the only county without any sort of municipality backed shelter. He said typically animal control is a municipality thing. Weland said if either the County or the City would be willing to open a shelter, he knows the Animal Protection Society could manage it. He said by opening a shelter, the City would also not be subject to the state-required bi-monthly inspections. Weland said that's definitely an option for the City. He noted since the Animal Protection Society is already here doing the work, the City wouldn't have to bring in extra people to handle it.

Mayor Walter asked Councilmembers if they had any questions or comments. Hearing none, Mayor Walter thanked Weland for his input and all the hard work by the committee.

**RESOLUTION NO. 49-1220 AGREEING TO MAINTAIN THE SUNRISE ESTATES TRAIL CONNECTION (A.K.A. "FACILITY") FOR ITS USEFUL LIFE**

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Skaret explained Resolution No. 49-1220 was part of the Transportation Alternatives Program (TAP) application.

Skaret noted it was a couple of meetings ago where the City Council talked about pursuing a grant for a trail connecting the Sunrise Estates area to the rest of Jackson. He said it's a major safety concern because there are a lot of children and people walking on the roadway in that area.

Skaret said the City has begun pursuing the grant. He explained one of the issues that has arisen is the reconstruction of Highway 71 that is scheduled for 2028. Skaret said there is a bridge crossing Nelson Creek that will have to be widened in order to accommodate a trail. He said he believes there's three culverts that run under the bridge. Skaret explained that would need to be widened.

Skaret said MnDOT is planning on replacing and widening that bridge when they reconstruct Highway 71 in 2028. Given that it's a safety issue, Skaret said what's being proposed is to construct the Sunrise Estates Trail in two phases. He said there's a Phase One that connects Sunrise Estates and before the bridge it routes pedestrians across Highway 71, crossing the corner across old Highway 16 and then connects with the existing trail. Skaret said that would be Phase One and would alleviate the immediate safety concern.

Skaret said Phase Two would be completed when MnDOT reconstructs Highway 71 in 2028.

As part of the grant process, Skaret explained the County, as they have done in past trail projects, has been the engineer and the administrator. He said the City pays a 20 percent local match.

Skaret noted the County is the sponsoring agency according to the process of the TAP Grant. He said since the project is really on behalf of the City, the City Council has to approve a resolution agreeing to maintain the Sunrise Estates Trail if the grant is successful and the trail gets built just like the City's other trails.

Luke Ewald of the Trails Committee said the project is part of the Safe Routes to School Plan and the City's Active Living Plan. He pointed out it's one of the major trails of the Active Living Plan that needs to be done.

Ewald said it is a safety issue. He said he noticed children walking along Highway 71 again.

Skaret noted that the proposed trail wouldn't be on the shoulder of Highway 71, but off the shoulder of the road.

Skaret said the Jackson County Commissioners met earlier in the day on December 15<sup>th</sup> and approved a resolution agreeing to be the sponsoring agency for the grant.

Cushman asked what's being requested from the City Council?

Skaret said what's being asked of the City Council is to approve the resolution agreeing to maintain the Sunrise Estates Trail Connection for its useful life if the City is successful in its grant application and the trail is constructed.

**CUSHMAN/PETERSON moved and it was unanimously carried to approve Resolution No. 49-1220 agreeing to maintain the Sunrise Estates Trail Connection (a.k.a. "facility") for its useful life.**

#### **LIFT STATION NO. 4 FINAL PAY APPLICATION**

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Skaret noted we're nearing the end of the year and the City is trying to close some things out. He said the Lift Station No. 4 project has been completed. Skaret all the work has been done by the contractor and it's in accordance with the plans and specifications.

Skaret said what City Staff is recommending is that the City Council approve the final payment on that project in the amount of \$32,106.10 to R & R Excavating of Hutchinson, Minnesota.

Cushman asked where Lift Station No. 4 is located.

Skaret said Lift Station No. 4 is located at the end of South Highway on the east side of Jackson. He said it's the last lift station in the system before sewage is pumped out to the City's lagoon ponds.

**FINCK/ANDERSON moved and it was unanimously carried to approve the Lift Station No. 4 Final Pay Application in the amount of \$32,106.10 to R & R Excavating of Hutchinson, Minnesota.**

### **BUILDING PERMIT AND PLAN REVIEW REFUND POLICY**

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Skaret explained a request recently was made by someone who took out a building permit over two years ago on a remodeling project. He said the person obtained the building permit, paid the fee and it was approved. However, Skaret said the person never did the project and requested a refund of the permit fee.

Skaret said there was an informal policy developed in 2013 that the City would refund half of the permit fees and plan review fees if not started by the building inspector. However, he said the policy was never formally adopted by the City Council.

Skaret explained what was before the City Council for consideration would essentially take the policy that was developed in 2013 and adopt it to make it a formal policy. He said the policy would also stipulate that after two years, if people request a refund, they would not be granted one. Skaret said people would be granted half the building permit fees if they applied for a refund within two years.

Cushman asked how the building permit policy is policed. He asked how does the City know that someone applied for a building permit and didn't complete their project?

Skaret explained there is a final inspection by the building inspector in order to close out the project. He said there's documentation regarding the building permits.

**FINCK/ANDERSON moved and it was unanimously carried to approve the Building Permit and Plan Review Refund Policy.**



## **AGCO AIRPORT LAND LEASE**

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Skaret explained the airport land lease pertains to a lease AGCO has for about 10.3 acres of land at the airport just off the runway. He said it's land the airport really can't do much else with.

Skaret said AGCO uses the land for testing vehicles and doing exhibitions. He said AGCO has leased the land for a number of years. Skaret said the City has been leasing the land to AGCO in two-year increments. He said the latest two-year agreement expires at the end of December.

Skaret said AGCO is interested in continuing to lease the land for another two years. He said at their last meeting, the Airport Commission discussed and reviewed the lease. Skaret said the Airport Commission recommended renewing the lease for another two years at the same price of \$1,854 per year. He said given the current state of the farm economy, the lease amount is reasonable.

**ANDERSON/CUSHMAN moved and it was unanimously carried to approve the two-year lease agreement with AGCO for approximately 10.3 acres of land at the airport for \$1,854 per year as recommended by the Airport Commission.**

## **2020 AUDIT ENGAGEMENT LETTER APPROVAL**

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Skaret said the auditors from Abdo, Eick and Meyers have already been at City Hall doing some preliminary field work for the City's audit. He said in order to continue, the City Council needs to approve the Audit Engagement Letter for the 2020 audit. Skaret noted the auditors are scheduled to be at City Hall in early February.

Skaret said the City Council needs to approve an Audit Engagement Letter for Abdo, Eick and Meyers services like the City does every year. He said the fee is \$26,950 plus an additional \$1,000 fee for the CARES Act expenditures that they have to audit. Skaret said that is consistent with what Abdo, Eick and Meyers proposed with their three-year proposal that they submitted back in 2018.

Cushman asked if this is the third year of Abdo, Eick and Meyers doing the City's audit.

Skaret said it was.

Cushman asked if Skaret and the City office staff have liked the auditing services that Abdo, Eick and Meyers have provided.

Skaret said he and the office staff have liked the services.

**PETERSON/FINCK moved and it was unanimously carried to approve the 2020 Audit Engagement Letter with Abdo, Eick and Meyers.**

## **SECOND READING OF ORDINANCE NO. 111: ADOPTING CITY FEE SCHEDULE FOR 2021**

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Skaret said Ordinance No. 111 is the City's annual fee schedule. He noted the City Council adopts something similar every year.

Skaret said there are a few updates in the City's fee schedule for 2021. He said the proposed fee schedule incorporates the new garbage rates with the five-year contract with Waste Management. Skaret said it also incorporates a two percent water rate increase. He said it also incorporates just a few other changes that have been recommended by City staff along with some clarifications.

Skaret noted at the December 1<sup>st</sup> City Council meeting, there was some discussion on the Utilities Commission's recommendation regarding the AMI metering fee for those who do not wish to have an AMI meter installed in their home. He said the Utilities Commission recommended a \$50 a month fee whether it was a water or electric meter or both. Skaret said the fee would still be \$50 a month added to the bill for those who don't want the meter.

Alderman Anderson asked if there's been some residents that have said they don't want the new AMI meters installed in their home.

Skaret said there's been at least one.

Alderman Anderson asked if that person is aware of the proposed \$50 per month fee on their utility bill if they don't have an AMI meter installed.

Skaret noted the fee hasn't been adopted yet.

Alderman Anderson asked if it was mentioned to that person that an additional fee could happen?

Skaret said he wasn't sure if it had been mentioned to the person. He said he didn't recall.

To clarify, Peterson asked if the City was going to have the City-wide cleanup just once a year.

Skaret said that was correct. He said the garbage rates are based on a one-time citywide clean-up during the year. Skaret said the City can have a second City-wide cleanup during the year, but the City will need to figure out a way to pay for it.

**FINCK/CUSHMAN moved and it was unanimously carried to approve the Second Reading of Ordinance No. 111 adopting the City Fee Schedule for 2021.**

**SECOND READING OF ORDINANCE NO. 112, AN ORDINANCE AMENDING CHAPTER 94.05(F) OF THE CITY OF JACKSON CITY CODE OF ORDINANCES PERTAINING TO NUISANCES AFFECTING PEACE AND SAFETY**

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Skaret noted Ordinance No. 112 was discussed at the December 1<sup>st</sup> City Council meeting. He said this is the ordinance that distinguishes between the noise of construction machinery, landscaping equipment and so forth verses other things that are less noticeable.

Skaret said there was discussion at the last City Council meeting on whether the limit on shutting down construction machinery at night should be 10 p.m., 8 p.m. or 9 p.m. He noted at the December 1<sup>st</sup> City Council meeting, there was discussion about adding a provision to the Code of Ordinances stipulating that the hours of operating construction and landscaping equipment be from 7 a.m. until 30 minutes after sunset. Skaret said the shutdown time would correlate with the onset of darkness with the season. He said in the winter the shutdown will be earlier and in the summer it will be later.

Skaret said typically you very rarely see anyone working on a project well into the dark other than the instance the City has been dealing with.

Skaret pointed out Ordinance No. 112 includes exceptions in case of an emergency, for example, if a big wind storm comes up in the middle of the night and a homeowner has to go up on the roof and patch holes in the roof. He said there's also a clause in the Ordinance where the City Administrator or City Clerk can grant an exception provided there is written consent obtained from the adjacent neighbors. He said for example, let's say it's in the fall and sunset is at 6:30. Skaret said if the person knows they are going to be working past that time and they get written consent from the adjacent neighbors, then the City can approve an exception.

City Attorney Brad Anderson said he wanted to distinguish and make sure the Mayor and City Councilmembers were clear on the provisions of the proposed ordinance. He noted if there's a force majeure event, like an ice storm, the person doesn't need consent from City Hall. He said if a person has a project and they know they're going to run late and they need to keep working because the weather forecast says there's going to be a big storm the next day, then the person needs to come down to City Hall to get permission to run late.

Attorney Anderson said if it's an event that's beyond anyone's control and unexpected, a person can work late beyond the 30 minutes after sunset. But if it's something that's within a person's control, then the person needs to seek an exception for permission to work and then get the approval.

Cushman noted Ordinance No. 112 is also based on complaints. He said if there's no complaint, there's no harm and there's no penalty. Cushman said police aren't going to be out looking for problems. Cushman said that's how he reads Ordinance No. 112, that it's another tool to use.

Skaret said it's another tool in the City's toolbox should the City receive complaints and has to enforce it.

Gay asked if the City Council discussed at the December 1<sup>st</sup> meeting about snow removal early in the morning for those people that have to be at work before daylight.

Skaret said Ordinance No. 112 does not include snow removal equipment. He said operating snow removal equipment would be exempt from this ordinance. Skaret said snow blowers, lawn mowers, leaf blowers and that sort of thing would be exempt.

Cushman asked if this would be the second and final reading of Ordinance No. 112.

Skaret said it would be the second and final reading.

**GAY/PETERSON moved and it was carried by a vote of 4 to 1 to approve the Second Reading of Ordinance No. 112 amending Chapter 94.05(F) of the Jackson City Code of Ordinances pertaining to nuisances affecting peace and safety.**

**Voting in favor of the motion were Aldermen Larry Anderson, Jeffrey Gay, Nathan Peterson and Dave Cushman.**

**Voting against the motion was Alderman Brandon Finck.**

**Alderman Matt Madden was absent.**

### **FIRST READING OF ORDINANCE NO. 113, AN ORDINANCE PERTAINING TO WATER SERVICE CLARIFICATION AND LIQUOR LICENSE APPLICATION**

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Skaret explained the purpose of Ordinance No. 113 is to clarify a couple of provisions in the City's Code of Ordinances.

Skaret said the first section of Ordinance No. 113 deals with a request from the City's Water Superintendent Tony Oxborough. He noted this was reviewed and approved by the Utilities Commission. Skaret said it clarifies that the property owner is responsible for the water service line from the pipe's connection to the water main to the point of metering. He noted currently the ordinance states "into the building" and that gets to be kind of a gray area and has caused some confusion. Skaret said Ordinance No. 113 would clarify that the homeowner is responsible to the point of metering. He said the City owns the water meter and the homeowner would be responsible for anything inside the home.

Finck asked for the meter out, would that be the City's responsibility?

Skaret said that would be the resident's responsibility.

Finck asked to clarify that again.

City Attorney Brad Anderson explained from the main all the way to the house and inside the house would be the homeowner's responsibility.

Alderman Anderson asked if it would mean the service line from the main under the street.

Skaret said that was correct.

Alderman Anderson said when he had an incident with a service line at his home, that's how it was explained to him.

Finck asked if that was the City's current policy?

Skaret said the policy would still be the same. He noted the City is just clarifying the language in the ordinance.

Skaret explained the second part of Ordinance No. 113 pertains to liquor license applications. He said for years on the liquor license applications, whether it was for a new application or renewing an application, the business owner was listed along with the employees who would be serving alcohol. Skaret said the Sheriff's Department would then run a criminal background check on the owner and everyone on the list who would be serving alcohol at that business.

Skaret said recently it was pointed out by the Sheriff's Office that the City's ordinance as it's written only allows criminal background checks on the liquor license applicant themselves and not the employees. He said in order to change that, the City would have to amend their ordinance. Skaret said that's what the second part of Ordinance No. 113 would do by adding in the liquor license applicant and employees.

Alderman Anderson noted the change in the ordinance would also delete the financial background check.

Skaret said the City has never conducted an investigation on the financial background of a business that serves alcohol. He said he doesn't think the City wants to get into doing that.

Mayor Walter asked for a motion.

**FINCK/ANDERSON moved and it was unanimously carried to approve the First Reading of Ordinance No. 113, an Ordinance pertaining to Water Service Clarification and Liquor License Application.**

**RESOLUTION NO. 50-1220 APPROVING A FINAL TAX LEVY FOR TAXES COLLECTIBLE IN 2021**

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Skaret said the City Council set a preliminary tax levy of 5.9 percent over and above the 2019 taxes collectible in 2020. He said Resolution No. 50-1220 is for the 2020 taxes collectible in 2021.

Skaret said the City Council set the tax levy increase at 5.9 percent back in September with the goal of lowering that. He said the City Council can always go lower than the 5.9 percent but they can't increase it.

Over the last couple of months, Skaret said the Finance Committee has really gone through the City budget with a fine-toothed comb. He said with a lot of hard work, the Finance Committee has lowered the tax levy increase to 1.94 percent or approximately \$30,000 over last year.

Skaret said this was a really difficult budget to do primarily because of the great uncertainty that Covid has created. He said there's some hope with the vaccine now being distributed but it's going to take some time. Skaret said Covid is probably going to be with us at least for the first half of 2021 and maybe even longer. He said it's a great unknown and, of course with the economy, there's the potential of Local Government Aid being affected as the State is running a budget deficient. Skaret noted the City of Jackson receives about \$1.4 million in Local Government Aid for the General Fund which is about a little over 40 percent of the City's budget. He said in the past, when the State has gotten into a budget crunch, the first thing they go after is the Local Government Aid to the cities, counties and schools and it's always the last thing that gets restored. Skaret said in fact, the City just got the Local Government Aid restored from the State's 2002 cuts. He said that just got restored this past year back up to 2002 levels. Skaret said it took 18 years to get the State's cuts to Local Government Aid restored. He said it's hoped that doesn't happen again, but it's just not known.

Skaret noted the Finance Committee was really mindful of the uncertainties and trying to keep a lid on property taxes, but at the same time provide some contingency in case there are some Local Government Aid cuts later on.

Skaret explained there are a few other assumptions that have been built into the budget. He said the budget incorporates what was agreed to in the Union Contract with a three percent cost of living increase plus the step increases and the health insurance increase.

Skaret said the budget also maintains the City's street reconstruction levy that was first imposed in 2018. He said the budget also includes the increase in the law enforcement contract and various transfers to the Capital Improvement Fund for future equipment purchases.

Skaret pointed out one thing that really helps the levy and is probably not promoted enough is the fact that the City has a municipal liquor store and a municipal electric utility. He said a lot of communities don't have that. Skaret noted that both the liquor store and municipal electric utility have been very successful.

Skaret said the Electric Fund generates enough revenue to sufficiently provide reserves allowing the City to provide a top-notch electric system and make improvements but still be able to transfer \$300,000 a year to the General Fund to help provide tax relief and benefit to the City's residents and still maintain competitive rates.

Skaret said the Liquor Store has been transferring \$41,000 from the Liquor Fund to the General Fund every year. He noted with the success of the new store, the Finance Committee recommended increasing that by \$15,000.

Skaret explained if the City didn't have those two entities, the City's property tax levy would be over 20 percent higher than it is right now. He said that's something the City really needs to promote is the benefit of having the municipal electric utility and liquor store. Skaret said a lot of communities don't have that. He said the revenue generated by those two entities would have to be made up somewhere and likely would have to be put on taxes.



Skaret said he provided a comparison of the City of Jackson's property tax rate verses the property tax rates of neighboring communities in the City Council's informational packets.

Skaret said in Jackson, we can be proud that the City's tax rate is very, very competitive. Skaret said it's among the lowest in the area, certainly in the lower tier. He noted not only is the City's tax rate among the lowest, but the tax rate for the County and School District are also among the lowest in comparison as well.

Alderman Anderson said he wanted to thank the Finance Committee for their hard work.

Finck said through this budget process, the Finance Committee challenged the City's Department Heads to come up with a five-year plan on capital replacements. He said the Department Heads were very understanding of the position the City is in with Covid and how the City is working through that for the community. Finck said the Department Heads had to do a lot of work through the budget, probably more than they wanted to do and were probably in the hot seat more than they're used to through the budget process and the conversations. Finck said hats off for the work the City Staff did on the budget and the things that were put forward.

Skaret said hats off to the City Staff. Skaret said it's not just him or him and the Finance Committee doing this. He said they couldn't formulate the budget without all the City Staff's help. Skaret said there's a lot of challenges ahead that's for sure. He said the City has aging street equipment along with keeping up with Fire Department equipment and the equipment for all of the other City Departments. Skaret also noted the City's aging infrastructure, streets, water and sewer lines, storm sewers and keeping the City's parks up to snuff. He said the City has a lot of needs and challenges. Skaret said it's felt the City can still meet those challenges with this budget.

**ANDERSON/GAY moved and it was unanimously carried to approve Resolution No. 50-1220 approving the Final Tax Levy for Taxes Collectible in 2021.**

## **RESOLUTION NO. 52-1220 APPROVING THE 2021 GENERAL FUND BUDGET**

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Skaret said Resolution No. 52-1220 kind of ties right into the City's tax levy. He explained in the General Fund Budget, there was \$3,550,091 budgeted in revenues and \$3,465,611 in expenses. Skaret said that leaves the City with some contingency in case the City is hit with the unexpected whether that's a State Aid cut or some other disaster that causes the City to have a lot of additional expenditures. He said just think a year ago at this time, no one had heard of Covid. Skaret said what a footprint Covid has made on our year.

Skaret explained the budget process starts in July. He said it's essentially 18 months out is what they are trying to forecast. Skaret said no one's crystal ball is clear enough to anticipate everything that might come up within the 18 months and certainly no one anticipated things like Covid. But here we are and Skaret said we had to be flexible and adapt to the changes.

**FINCK/ANDERSON moved and it was unanimously carried to approve Resolution No. 52-1220 approving the 2021 General Fund Budget.**

## **RESOLUTION NO. 53-1220 AUTHORIZING END OF THE YEAR TRANSFER OF FUNDS**

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Skaret explained the end of the year transfers are made every year. He explained they are transfers that have either been budgeted or, in a couple of cases, discussed by the Finance Committee and recommended.

**FINCK/ANDERSON moved and it was unanimously carried to approve Resolution No. 53-1220 authorizing the End of the Year Transfer of Funds.**

## **LATE UTILITY BILL PAYMENTS**

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Skaret said the late utility bill payments is something the City Council has been discussing on a month-to-month basis since Covid. He said back in October, the Council decided to extend it the rest of the year waiving the late fees and allowing people to come into City Hall and sign an agreement to pay 25 percent and avoid shutting off their electricity.

Skaret noted we're at the end of the year and the City Council needs to decide what they want to do going forward.

Alderman Anderson asked if anything has changed with the number of people signing an agreement to pay 25 percent.

Skaret said he would say the number of people signing an agreement has stayed the same or increased a little.

Finck said based on the fact that we're still active in this Covid situation and the uncertainties associated with it, he would propose extending the late utility bill payments through the first quarter of 2021.

Skaret asked Finck if his intention was to continue the late utility bill payments through the end of March.

Finck said that was correct. He said he doesn't see anything really changing. Finck said he knows there's a vaccine coming out but it's a limited supply at the moment. He also noted the Governor still currently has the State in more of a shutdown mode. Finck said even if businesses and things do get opened up, it's going to take time for everybody to get back to normal.

**FINCK/CUSHMAN moved and it was unanimously carried to continue the City's Late Utility Bill Payment Program continuing to waive the late fees and allowing people to sign the payment agreement through the end of March of 2021.**

## **SPLASHPAD PAYMENT**

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Skaret noted the City is nearing the end of the year and trying to clean some things up. He said one of the outstanding issues is the Splashpad.

Skaret said the Splashpad is substantially complete. He said as the City Councilmembers know, the City had all kinds of problems through the Splashpad construction process with all sorts of challenges.

Skaret said the City has not made any payments on the Splashpad since early in 2020.

Skaret said he's been in contact with Vortex who was the vendor and also with CRS, Commercial Recreation Specialists who were the builder. He said typically on a project until the final punch list items are completed, the City would withhold five percent. Skaret explained on this project, the City's contract with Vortex was for \$329,650. He noted there were some add-ons that came along. Skaret noted the \$329,650 was the base contract. He explained if you take five percent of that, it amounts to \$16,482.50.

Skaret said what he's discussed with Vortex and CRS is paying Vortex everything they're owed which is \$188,396.83. Regarding Commercial Recreation Specialists, (CRS), Skaret said the City owes CRS \$23,412. He explained withholding that five percent and applying that against CRS, the City would be withholding \$16,482.50 from CRS to get the final punch list items done.

Skaret said the main punch list items include the sod. He said CRS has promised to bring in sod and install it in an eight-foot perimeter around the Splashpad and then hydro-seed the rest of the turf in the spring. Skaret said there's also some work with the drinking fountain that needs to be done. He said CRS has to adjust the drinking fountain and make it ADA accessible.

Cushman asked if the Splashpad has been charged and water ran through it to know that it works.

Skaret said the Splashpad works as it's supposed to. He said the Splashpad has been inspected and tested. He said the City has received a letter from the State Department of Health that the Splashpad is ready to go.

Finck asked if all the controls in the equipment shed for the Splashpad have been taken care of.

Skaret said they have.

Cushman said the emotional side of him says that the City is not withholding back enough. He said that's the first thing that comes to mind because it was such a nightmare of a project. Cushman noted the project was to be possibly completed in June and it didn't get to be used at all this past year. He said his first thought is that the withholding is not enough, but he doesn't know if that's the answer since they've met what was required and the City can't withhold payment based on lateness. Cushman said they have fulfilled the contract other than for a few items.

Skaret said CRS is working on proposals to provide the City with some shade structures free of charge at the Splashpad along with some garbage receptacles.

Finck said he agreed with Cushman. He said if CRS is willing to do things and follow through on those items, he thinks the retainage is probably about right. Finck said the City needs to take note on how it goes forward with other small projects in the future. He said there definitely needs to be some teeth in the timeline piece of the contracts and what's taken away if those obligations aren't fulfilled. Finck pointed out it was probably one of the better construction seasons we've had in the last five years around here.

Alderman Anderson asked if Vortex was the main contractor and CRS was the subcontractor.

Skaret said that was correct. He said CRS contracted out work to another subcontractor and then there were other subcontractors involved and the City had a mess. Skaret said then the contractors were blaming everybody else.

Skaret said by the City Council withholding money for as long as they did, that helped keep the contractors' feet to the fire and get the project done as much as it did.

**FINCK/PETERSON moved and it was unanimously carried to follow the City Administrator's plan of retainage and make the final payment to CRS when all things on the Splashpad punch list are completed and that the motion is being made with disappointment in the contractor and hopefully the contractor will rectify that through installing a shade shelter and the things they are proposing to do. Finck said he wanted to make it very clear that this motion is being made with disappointment.**

#### **MAYOR'S PROCLAMATION IN HONOR OF VETERAN IRENE LEACH'S 99<sup>TH</sup> BIRTHDAY**

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Mayor Walter said he had a proclamation to read in honor of Irene Leach's 99<sup>th</sup> birthday coming up on January 5<sup>th</sup>.

Mayor Walter read:

**WHEREAS**, *Jackson is proud and honored to have Irene Leach as a resident and member of our community; and*

**WHEREAS**, *Irene Louise Colvin was born January 5, 1922 in Powell, South Dakota; the second of four girls in her family; and*

**WHEREAS**, *Irene's family moved to St. Paul at a young age. She graduated from St. Joseph's Academy in 1940 and then joined the workforce doing secretarial work; and*

**WHEREAS**, *With World War II raging Irene answered the call of duty to serve her country by joining the U.S. Navy in 1944; and*

**WHEREAS**, *Irene was stationed at Farragut Naval Training Station in northern Idaho from 1944-46 where she performed secretarial and clerical work for the Navy; and*

**WHEREAS**, Irene was honorably discharged from the Navy in 1946 and returned home to St. Paul, MN, where she married a mortician named Arthur Leach in 1947; and

**WHEREAS**, The Leach's moved to Jackson in 1960 after they bought the Krause Funeral Home and then the associated furniture store a few years later; and

**WHEREAS**, Irene continued a life of service by comforting grieving families at the funeral home and then became known for her decorating expertise at the furniture store; maintaining her positive, upbeat presence at the store well into her 80's, and raised her six children with her husband Arthur: Sharon, Steve, Joseph, Mark, Christopher and Julie. Irene was also active in the St. Wenceslaus Catholic Church and later the Good Shepherd Catholic Church; and

**WHEREAS**, the store, today known as Leach Decorating Center, is still in the family, is an anchor in downtown Jackson, and continues Irene's legacy of warmly serving the community; and

**WHEREAS**, Irene Leach's 99<sup>th</sup> birthday is on January 5, 2021; and

**NOW THEREFORE**, I, Mayor Wayne Walter, proclaim January 5, 2021 as a day of celebration in Jackson in honor of Irene Leach's tireless service and dedication to our country, contributions to our community, her longevity, and positive, upbeat attitude.

Signed this 15<sup>th</sup> day of December, 2020.

Wayne Walter, Mayor

Mayor Walter said there will need to be a drive-by of Irene's residence by the Fire Department to celebrate Irene Leach's birthday on January 5<sup>th</sup>.

**Other:**

### **Alderman Nathan Peterson**

Peterson noted the December 15<sup>th</sup> City Council meeting would be his last meeting as a Councilman.

Peterson said he wanted to thank everybody for his appointment to the City Council. He said it's been an honor and a privilege to serve with all the Councilmembers. Peterson said he's learned a lot in the few months that he served on the Council.

## **City Administrator Matt Skaret**

City Administrator Matt Skaret thanked Alderman Nathan Peterson and Alderman Matt Madden for their service on the City Council. He extended best wishes and best luck to them both.

Skaret wished everybody a Merry Christmas and Happy New Year.

## **Plaque Presentation to Alderman Nathan Peterson and Alderman Matt Madden**

Mayor Walter said he had a plaque to present to Alderman Nathan Peterson recognizing his service on the City Council. Mayor Walter said Peterson began serving on the City Council in July, 2020 when former Alderman Donnie Schoenrock resigned because of other commitments.

Mayor Walter said the City Council was proud to have Peterson serve on the Council. He noted Peterson will continue to serve on the Planning and Zoning Commission and is proud to have him serving on that Commission.

Mayor Walter presented the plaque to Peterson who received a round of applause from all those attending the meeting.

Mayor Walter said there is also a plaque for Alderman Matt Madden who was absent at the meeting. He said Madden can stop down to City Hall to receive his plaque. Mayor Walter noted Madden began serving on the City Council in 2017 and is resigning at the end of this year.

Mayor Walter said he wanted to thank Madden. He said Madden has been a great asset on the City Council. Mayor Walter said Madden's knowledge of the electric utilities was a big plus as the City made electrical updates.

**ADJOURNMENT**

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With no further business, Mayor Walter asked for a motion to adjourn.

**ANDERSON/PETERSON moved and it was unanimously carried to adjourn the Jackson City Council meeting at 7:33 p.m.**

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**David A. Maschoff, Council Secretary**

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**Wayne Walter, Mayor**





