

**July 19, 2022**  
**Jackson, Minnesota**

**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, July 19, 2022 with the meeting called to order by Mayor Wayne Walter. On the roll call, the following persons were present in-person, Mayor Wayne Walter and Aldermen Michael More, Jerome Palmer, Brandon Finck, Marcus Polz and Dave Cushman. Also attending in-person were City Administrator Matt Skaret, City Attorney Brad Anderson, Street Superintendent Phil Markman, Shannon Sweeney of David Drown Associates, Jackson Fire Chief Dave Bond, First Assistant Fire Chief and Park Board Chairman Michael Haeffner, Jackson Area Chamber of Commerce Executive Director Corey Christopher, Lee Porter, Joe Pell, Rick Reed, City Clerk/Council Secretary Dave Maschoff, Justin Lessman of the Jackson County Pilot and Mathew Grisham of KKOJ/KUXX Radio. (Alderman Nathan Peterson 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 the meeting recited the Pledge of Allegiance.

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

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Mayor 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 Nathan Peterson.

**There were no Public Hearings, Bid Lettings or Open Forum.**

## **CONSENT AGENDA**

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Mayor Walter entertained a motion to approve the Consent Agenda.

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

### **Unscheduled Guests:**

Mayor Walter asked if there were any unscheduled guests in the Council Chambers.

Mayor Walter again asked if there were any unscheduled guests in the Council Chambers.

Seeing and hearing none, Mayor Walter said the meeting would proceed with Council Discussion items.

### **Council Discussion Items**

#### **RICK REED – REQUEST FOR BLOCK PARTY WITH BAND AT 113 POND DRIVE ON FRIDAY, JULY 22, 2022 FROM 8 P.M. TO 12 A.M.**

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Rick Reed explained to the City Council this was the third year that they're hosting a block party with a band at 113 Pond Drive. He said all the neighbors have been notified and invited to the party.

Reed said to his knowledge there's never been any complaints about noise or anything in past years. He said he would notify the Sheriff's Department about the block party in case they would receive any phone calls.

**FINCK/POLZ moved and it was unanimously carried to approve Rick Reed's request to hold a block party with a band at 113 Pond Drive on Friday, July 22, 2022 from 8 p.m. to 12 a.m.**

**RESOLUTION NO. 39-0722 JACKSON GENERAL OBLIGATION STREET  
RECONSTRUCTION UTILITY REVENUE BOND AWARD RESOLUTION**

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Shannon Sweeney of David Drown Associates said as discussed at the July 5<sup>th</sup> City Council meeting, a bank placement was sought for the purpose of financing the 2022 Street and Utility Reconstruction Project.

Sweeney said there are total project costs of \$4,223,116.40. He said funding sources to be utilized to finance the project costs include General Obligation Bonds in the amount of \$2,975,000, remaining proceeds from the 2020A bonds in the amount of \$569,000, a cash contribution of various funds of \$330,000, ARPA Funds from the Federal government of \$347,408 and construction fund earnings of \$1,708.40 for total project funding sources of \$4,223,116.40 to provide the project financing.

Sweeney said what was discussed at the July 5<sup>th</sup> City Council meeting was working on a bank placement so an interest rate could be fixed more quickly, which has been done.

Sweeney said a total of five banks were contacted during the process. He said the low proposal was submitted by First Independent Bank of Russell, Minnesota at 3.85 percent which was the interest rate that was indicated at the Council's July 5<sup>th</sup> meeting. Sweeney said First Independent Bank is willing to hold at 3.85 percent interest rate through closing.

Sweeney said the recommendation to the City Council from David Drown Associates is to award the bond sale to First Independent Bank of Russell, Minnesota. He explained the payment requirements include roughly \$218,000 a year in debt service, a tax levy of about \$40,000-plus for street costs, plus another \$60,000 for storm sewer costs. Sweeney explained ultimately the City has a Tax Increment Financing District that will be ending in 2022 and will be freeing up more than sufficient tax base in order make up the tax levy for both of those needs. He said he was not recommending a rate increase for the sanitary sewer. Sweeney said for water, he would recommend the City Council look at a rate increase of approximately 3 percent over the next couple of years in order for the Water Fund to remain cash flow positive.

Sweeney said there is a 20-year term on the financing. He explained bonds can be prepaid anytime after February 1<sup>st</sup> of 2030.

Sweeney noted the City saved on the issuance costs of the bonds from the City's financial advisor. He said the City also didn't have to pay the underwriter as much, about half the cost of what is normally paid, and the City didn't purchase a \$14,000 credit rating. Sweeney said the City saved a fair amount of money in issuance costs by going with a bank placement and a fixed interest rate in uncertain times when interest rates have been mostly going up.

Sweeney asked if the Mayor or Councilmembers had any questions.

Polz asked if it was known what the amount was that would be coming off the TIF District that will be ending this year.

Sweeney said the dollar amount is between \$70,000 and \$80,000 in tax capacity which would create more than that in taxes.

Mayor Walter asked for a motion.

**POLZ/FINCK moved and it was unanimously carried to approve Resolution No. 39-0722 Jackson General Obligation Street Reconstruction Utility Revenue Bond Award Resolution.**

Mayor Walter thanked Sweeney for his presentation and assistance.

Sweeney thanked Mayor Walter.

## **AUTHORIZE MAYOR AND CITY ADMINISTRATOR TO EXECUTE AIRPORT RUNWAY RECONSTRUCTION GRANT AGREEMENT WITH THE FAA AND MNDOT**

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Skaret said the Airport Runway Reconstruction Grant Agreement is actually a very, very important document. He said the agreement is about a 50-page document that is the grant agreement with the FAA (Federal Aviation Administration) and MnDOT (Minnesota Department of Transportation) for the City's Airport Runway Reconstruction Project. He explained no construction work can begin at the airport until the Grant Agreement is signed and executed.

Skaret said the contractor is ready to begin work upon the signing of the Grant Agreement. He said the hold up on starting work at the airport has been because the Grant Agreement had not arrived at City Hall to be considered by the City Council. Skaret said the Grant Agreement has now arrived for consideration.

Assuming that the Grant Agreement will be approved, Skaret said the contractor, Svoboda Excavating, plans to start moving equipment to the airport on July 20<sup>th</sup>.

Polz asked if the Grant Agreement has been reviewed by the City Attorney.

Skaret said there is a place on the agreement for City Attorney Brad Anderson to sign that he's reviewed it.

**POLZ/CUSHMAN moved and it was unanimously carried to authorize the Mayor and City Administrator to execute the Airport Runway Reconstruction Grant Agreement with the FAA and MnDOT.**

### **FIRE DEPARTMENT AIR CYLINDERS QUOTE**

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Jackson Fire Chief Dave Bond said the Fire Department submitted an application to Federated Rural Electric's Operation Round-up Program and received \$1,500 to assist with the purchase of new air pack cylinders.

Bond explained the air packs have a 15-year life cycle. He noted the Fire Department received a grant a few years ago. Bond said the Fire Department has 50 air tank cylinders and 25 harnesses.

Bond said the Fire Department wants to rotate their air pack cylinders to avoid having to make a large expenditure for air bottles all at one time.

Bond said the Fire Department was requesting to purchase five new air pack cylinders for \$8,304.30. He said like everything else, the price for air pack cylinders has gone up significantly.

**POLZ/FINCK moved and it was unanimously carried to approve the quote from McQueen Equipment in the amount of \$8,304.30 for the purchase of five new air pack cylinders for the Jackson Fire Department.**

Bond thanked Mayor Walter and City Councilmembers.

Mayor Walter thanked Bond.

**CHAMBER OF COMMERCE REQUEST TO CLOSE SHERMAN STREET FROM HIGHWAY 71 TO FIRST STREET AND SECOND STREET FROM WHITE TO GRANT STREET FOR CHAMBER BLOCK PARTY ON AUGUST 18, 2022**

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Jackson Area Chamber of Commerce Executive Director Corey Christopher said Jackson Days will be held in August. He said Jackson Days is being held in conjunction with the Jackson Nationals that will be held at the Jackson Motorplex on August 18<sup>th</sup>, 19<sup>th</sup> and 20<sup>th</sup>. Christopher said Jackson Days was moved to August to provide activities for those attending the Nationals and incentivize those visitors to patronize Jackson businesses.

Christopher said there is a full slate of events the Chamber Board and volunteers have been organizing for Jackson Days. He said activities will begin on Wednesday and continue through Saturday with a Community Church Service possibly being held on Sunday morning.

Christopher said the street closure request is from 4 p.m. to 7:30 p.m. on August 18<sup>th</sup>. He said the biggest set-up will be for the Farmers' Market which may begin setting up at 3 p.m.

**POLZ/CUSHMAN moved and it was unanimously carried to approve the Jackson Area Chamber of Commerce's request to close Sherman Street from Highway 71 to First Street and Second Street from White to Grant Street from 4 p.m. to 7:30 p.m. for the Chamber Block Party on August 18, 2022.**

Christopher thanked Mayor Walter and Councilmembers.

**RESOLUTION NO. 42-0722 NON-DOT-DRUG TESTING AND DRUG FREE WORKPLACE**

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Skaret said there is a new law in Minnesota that allows for the sale of edible cannabis and products that have THC in them. He explained the League of Minnesota Cities is strongly recommending that cities update their drug testing policies especially for non-DOT employees. Skaret noted the DOT employees are the ones who have a CDL (Commercial Driver's License) such as the employees in the Street, Water, Electric and so forth. He said those employees already operate under a different drug testing policy that's overseen by the Federal government.

Skaret said the non-DOT employees would include administrative staff, liquor store employees and so forth. Skaret said the City already has an alcohol and drug testing policy. However, he said it's not very up to date or comprehensive. Skaret said it was time for the City to update its policy anyway. He pointed out the proposed policy is modeled after the League of Minnesota Cities model policy.

Skaret said City Attorney Brad Anderson and the City's Labor Attorney Susan Hansen have both reviewed the proposed policy. He said the new policy addressed the new State law that allows for the edible cannabis. Skaret said the proposed policy doesn't really change the City's current policy but brings the policy more into compliance and enhances it.

**CUSHMAN/FINCK moved and it was unanimously carried to approve Resolution No. 42-0722 Non-DOT-Drug Testing and Drug Free Workplace contingent upon any comments or suggestions that the City's Labor Attorney has.**

#### **REQUEST FROM THE JACKSON COUNTY FAIRBOARD TO BORROW PICNIC TABLES FROM THE CITY TO USE AT THE FAIRGROUNDS BEER GARDEN FOR THE JACKSON COUNTY FAIR JULY 26<sup>TH</sup> TO 30<sup>TH</sup>, 2022**

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Fair Board member Dave Maschoff said on behalf of the Jackson County Fair Board, the Board wanted to thank Mayor Walter and Councilmembers for allowing them to borrow picnic tables in the past for the Fair's beer garden.

Maschoff said the Fair Board would again request borrowing picnic tables from the City for use in the Fair's beer garden July 26<sup>th</sup> through July 30<sup>th</sup>.

**FINCK/MORE moved and it was unanimously carried to approve the request from the Jackson County Fair Board to borrow picnic tables from the City to use at the Fairgrounds Beer Garden for the Jackson County Fair July 26<sup>th</sup> to July 30<sup>th</sup>, 2022.**

On behalf of the Jackson County Fair Board, Maschoff thanked the City Councilmembers and Mayor Walter.

Mayor Walter said the Fair Board is very welcome and thanked the Jackson County Fair Board for all they do.

**FINANCE COMMITTEE RECOMMENDATION – APPROVE \$5,000 GENERAL APPROPRIATION TO THE JACKSON CEMETERY ASSOCIATION**

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Skaret said the Finance Committee met on July 18<sup>th</sup>. He explained when the City budget was compiled for 2022, there was a line-item included for the annual appropriation the City gives to the Jackson Cemetery Association.

Skaret explained the 2022 appropriation for the Cemetery Association was approved in two parts. He said the first part was for the Cemetery Association’s fundraising effort for the chapel repair and improvements project. Skaret said the City would match dollar-for-dollar up to \$5,000 to other funds that the Cemetery Association would raise. He said the Cemetery Association well exceeded raising \$5,000 in other funds. Skaret said the City donated \$5,000 to the chapel’s repair and improvements project.

Skaret said the Cemetery Association also requested an additional \$5,000 for general operating expenses and assistance.

Skaret noted the City Council had approved to match dollar-for-dollar for whatever Jackson County contributed. He said the County does not contribute to the Cemetery Association financially. Skaret said the City’s match for up to \$5,000 was an incentive for the County to also donate, or at least for the Cemetery Association to approach the County.

Skaret said the Finance Committee met earlier this spring with John Osterberg of the Cemetery Association who said he had approached the County with a funding request and was turned down. He said the County was not going to contribute.

Skaret said the City’s Finance Committee met on July 18<sup>th</sup> and recommended the City give the \$5,000 to the Cemetery Association in recognition that the Association took the initiative to approach the County with a funding request.

Polz said more than just the City’s residents are welcome to use the cemetery in Jackson which isn’t owned by either the City or the County. He said even though the County didn’t come forward with those funds, the City wanted to at least offer that \$5,000 to the Cemetery Association.

**POLZ/PALMER moved and it was unanimously carried to approve the Finance Committee’s recommendation approving a \$5,000 General Appropriation to the Jackson Cemetery Association.**



## **LIBRARY HVAC**

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Skaret reported the Library's HVAC unit has not been working properly for a while.

Skaret said the Library's HVAC unit was installed in 2008. He explained the HVAC unit has two compressors in it. Skaret said a new compressor was installed in 2019. He said the other compressor has now quit working and the HVAC unit is not keeping up with being able to cool the library building.

Skaret explained there's a lot of changes going on in the heating and cooling industry with refrigerant being phased out by the EPA (Environmental Protection Agency). He said with the refrigerant being phased out, it's getting more difficult to find parts for that HVAC unit.

Skaret said right now, the HVAC unit is only running on one compressor and it should be running on two compressors. He said the HVAC unit is not keeping up with cooling the building. Skaret said he spoke with Library Director Carrie Dose on July 19<sup>th</sup> and at 10 a.m., it was already 77 degrees in the library and was very uncomfortable for patrons and employees.

Skaret said really the ultimate solution is to completely replace the HVAC unit with a new system that will meet the new refrigerant requirements and be a unit that parts will be available for.

Skaret explained if a new HVAC unit was ordered now, it would cost \$40,000 and there's a 42-week lead time to get a new HVAC unit delivered. He said he doesn't think the cooling system at the library should be dependent solely on one compressor to last 42 weeks. Plus, Skaret said if \$40,000 is potentially going to be spent on a new HVAC unit, the City would need to get more bids.

Skaret said the other option is to replace the compressor in the current HVAC unit that burned out which would cost about \$8,500 and then plan to replace the entire HVAC unit with a new one in the next two to three years.

Cushman asked when the compressor in the current HVAC unit could be replaced.

Skaret said he was told one new compressor unit was available in Sioux Falls and another 22 new compressors were available in Illinois. He said a new compressor could be installed as soon as the HVAC repairman could get it.

**POLZ/FINCK moved and it was unanimously carried to repair the Library's HVAC unit by installing a new compressor for approximately \$8,500 and budgeting for the replacement of the HVAC unit in the next several years.**

## **POOL MEETING DATES WITH THE JCC SCHOOLS**

Skaret said he received a phone call from the Jackson County Central School Superintendent's secretary inquiring about dates to have a follow-up meeting between the City Council and JCC Schoolboard.

Skaret noted there were three questions the City Council wanted answered from the last joint City Council and Schoolboard meeting. He said until there are answers to the City Council's three questions, there wasn't really a reason to set meeting dates at this time. Skaret said he emailed Superintendent Barry Schmidt to see if there were answers to the Council's three questions and there is one question still to be answered.

Finck said he thinks it's important to have a meeting with the Schoolboard with the three questions on the agenda. He noted the three questions that had been talked about at the last joint meeting. Finck said those three questions were how does the City Council and Schoolboard operate as a joint group and continue and reconstruct the pool....the second question is what would the cost be if the pool was shut down and renovated into building space....and the third question regarded the City taking over operation of the pool and letting the School District out of any operational costs and so forth.

Skaret said he thinks Schmidt was waiting for information regarding the update cost if the pool was shut down and renovated into building space.

Finck said when those answer are available, then the City Council and Schoolboard can have a really good discussion and try and find some direction on what the next step is. He said the City Council will wait to hear back from the Superintendent's office.

### **Other:**

#### **Alderman Marcus Polz**

Polz asked if it was known when construction would begin on the City's street projects for this year.

Skaret said he spoke with Engineer Greg Mitchell of Bolton and Menk prior to the start of the City Council meeting. He said Mitchell informed him that signed contracts from the contractor were just returned on July 18<sup>th</sup>.

Based on the latest conversations Mitchell had with Duininck's regarding Emily Street, Riverside Drive, River Street, Northridge and Westridge Drives, Skaret said work will probably start in August or early September.

Skaret said he didn't have a start date yet for the downtown alley project.

Polz asked if it was believed the work will be able to be completed within this construction year.

Skaret said yes.

### **Alderman Michael More**

More asked what the status was regarding the splashpad.

Markman reported the splashpad was put back into operation today (July 19<sup>th</sup>).

Skaret said it was a situation where one thing would get fixed and two more problems arose.

Markman explained the computer module for the splashpad malfunctioned and was repaired and put back online. He said when the computer was put back on line and water pressure applied, it was discovered some plastic parts were broken. Markman said apparently the water had not completely drained and water froze during the winter damaging those parts. Markman said the parts could not be obtained locally, so parts were ordered from Minneapolis. He said when the new parts were sent, only half of the parts that were needed arrived. Markman said the other parts then arrived but there were still a couple of issues with the splashpad.

Markman said someone from the splashpad company came to Jackson on July 18<sup>th</sup> and spent all day working on the splashpad and it's now up and running.

Mayor Walter thanked Markman for the update.

**ADJOURNMENT**

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

**FINCK/MORE moved and it was unanimously carried to adjourn the Jackson City Council meeting at 7:00 p.m.**

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**David A. Maschoff, Council Secretary**

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**Wayne Walter, Mayor**

