

COUNCIL MEETING MINUTES
Library Media Center
412 2nd Street NW, Ortonville, MN
Monday, April 17, 2023
5:00 P.M.

CALL TO ORDER AND ROLL CALL: Mayor Hausauer called the meeting to order at 5:00 P. M. Roll call was taken with the following present: J. Dorry, Sykora, T. Dorry, Berger, Powell and Karels. Absent: None. Staff present: Char Grossman, Deb Ellingson, Sam Berger and Scott Huizenga. Media: None. Other: Mary Reddy, Jessica Foley and Clarissa Blake.

AGENDA AMENDMENTS:

PUBLIC PARTICIPATION AND CORRESPONDENCE:

4.a. Mary Reddy-CliftonLarsonAllen

Mary Reddy of CliftonLarsonAllen gave a presentation on the findings of the 2022 City Financial Audit. She had stated that there was no disagreements with management about matters that could be significant to the financial statements. Management was most cooperative and helpful.

A motion was made by Karels and seconded by Powell and passed unanimously to approve the Financial Audit by CliftonLarsonAllen for 2022.

4.b. Jessica Foley-SCPD Grant Final Application

4.b.1. City Council Conflict of Interest

4.b.2. City of Ortonville Conflict of Disclosure Form

4.b.3. 2023 Application Coversheet

A motion was made by Berger and seconded by T. Dorry and passed to authorize official Mayor Hausauer to sign the 2023 Small Cities Development Program Application.

4.b.4. Tennessen Warning Notice

4.b.5. Resolution Cooperative Agreement

RESOLUTION 23-40
RESOLUTION APPROVING THE COOPERATIVE AGREEMENT
FY'2023 SMALL CITIES DEVELOPMENT GRANT

WHEREAS, Big Stone County, on behalf of the Cities of Ortonville and Correll (“the Cities”), has submitted a Preliminary Proposal for the Department of Employment & Economic Development’s (DEED) Fiscal Year 2023 Small Cities Development Grant (SCDP); and,

WHEREAS, the Cities desire to jointly submit a full SCDP Grant application for Fiscal Year 2023 funds; and,

WHEREAS, it is important for administrative purposes to have arrangements in place which will guide the implementation of the Small Cities Development Grant if it is approved;

NOW THEREFORE BE IT RESOLVED, this following Cooperative Agreement is approved by the Cities listed below.

1. Purpose.

- 1.1. This Cooperative Agreement is intended to provide an efficient means by which a potential Fiscal Year 2023 Small Cities Development Grant will be jointly implemented in the Cities.
- 1.2. The Cities agree to submit an SCDP full application for the activity of owner-occupied housing rehabilitation in target areas within both Cities.
- 1.3. The Cities agree to an initial estimated overall goal of rehabilitating 3 owner-occupied houses and 36 multi-family rental units, contingent upon revisions which may be made or recommended by DEED. Furthermore, the Cities agree to sub-goals itemized as follows in order to accomplish a fair distribution of assistance originally based on the level of interest found in each community:

City	Owner-Occupied Housing Rehab Goal In Targeted Areas	Multi-Family Rental Rehab Goal In Targeted Areas
Ortonville	0 houses	36 units
Correll	3 houses	0 units
Overall Goals	3 houses	36 units

- 1.4. The Cities agree that if the application for grant funds to the SCDP is reduced by DEED, the sub-goals noted above and corresponding sub-budgets will be reduced proportionally between each community.
- 1.5. The Cities understand that overall goals, sub-goals, and corresponding budgets may need to be adjusted as the number of interested parties and/or the average rehabilitation costs per unit run higher or lower in each community. The Cities agree to allow the grant administrator the latitude to adjust the rehabilitation budgets within each community as may be appropriate and necessary to achieve the overall goals as established by DEED in the Grant Agreement. Budget changes affecting the overall grant, including administration, must be approved by DEED.

2. Lead Jurisdiction.

- 2.1. The lead jurisdiction for the Small Cities grant will be Big Stone County, which will serve as the fiscal agent for the project by requesting, receiving, and processing SCDP grant funds from DEED.
- 2.2. Necessary documents, such as the Grant Agreement, shall be signed and executed by the appropriate authorized official(s) of Big Stone County.
- 2.3. Environmental review of the project will include both Ortonville and Correll. However, Big Stone County agrees that, as the lead jurisdiction for the SCDP grant, the Board Chair of Big Stone County will be the environmental certifying officer in order to conduct an environmental review for the entire project.
- 2.4. The Cities acknowledge that a Single Audit (A-133) may need to be conducted on all DEED funds and that the audit will be of Big Stone County as the lead jurisdiction. Any additional audit costs resulting from the SCDP grant will be borne proportionally based upon the budget breakdown of the SCDP funding. The lead entity, Big Stone County, will bill the cooperating community, the Cities of Ortonville and Correll, for such expenses and will provide the Cities with copies of all audit findings.

3. Administration.

- 3.1. Development Services, Inc. of Ivanhoe, Minnesota, has been selected as the grant administrator pursuant to federal procurement standards, "Common Rule," Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, at 24 CFR, Part 85, as amended.
- 3.2. The Cities agree that the Cities will enter into a joint contract with the grant administrator to outline functions, timelines, compensation, and billing procedures for the SCDP project.
- 3.3. The grant administrator shall be responsible to see that the interests of both Cities are respected in the carrying out of the SCDP grant project and that both are kept fully informed of all developments affecting the entire grant and both cities' portion thereof.

4. Financial.

- 4.1. Sub-budgets shall be developed with the goal of assuring that the agreed-upon proportional amount of rehab work is accomplished within each of the jurisdictions.
- 4.2. Grant budget and implementation reports shall be prepared and presented to both Cities on a regular basis.
- 4.3. All funds committed to the program by either community will be deposited into an escrow account maintained by the grant administrator. These funds are to be forwarded to the grant administrator as of the date the Grant Agreement is signed by DEED. No work will progress on grant implementation until all committed funds are forwarded to the Grant Administrator. These funds will be the first expended for program-related purposes.

5. Revolving Funds.

5.1 The Cities understand that housing rehabilitation loans which may be repaid can constitute Program Income which must be accounted for, reported, and expended in accordance with SCDP rules as interpreted by DEED.

5.2 The grant administrator will be responsible for administering loans and Program Income funds that are received on behalf of both Cities until grant close-out. Funds which are repaid as Program Income will be tracked separately between the Cities. The city where the Program Income originated will have the first opportunity for those funds to be utilized in their community.

5.3 Following close-out of the grant, if a City does not fully utilize their Program Income within 5 years from the date the funds are received, both Cities will have access to those funds for use in either community for purposes allowable under HUD guidelines as interpreted by DEED at that time.

5.4 Following close-out of the grant, the Cities agree that Big Stone County, as the lead jurisdiction and on behalf of both cities, will be responsible for the submission to DEED of annual post-closeout Program Income reports and expenditure reports. Furthermore, the Cities understand that such post-closeout reports will need to be made to DEED for an indefinite period of time. It is agreed that Big Stone County will be entitled to fair compensation from the Cities of Ortonville and Correll for proportional staff or contractor time associated with the completion of this annual report.

6. Execution in Counterparts.

6.1 This Cooperative Agreement may be executed in one or more counterparts, all of which together shall constitute one and the same agreement.

Upon roll call vote the following voted Aye: T. Dorry, Hausauer, Berger, Powell and Karels and the following voted Nay: None. Abstain: J. Dorry and Sykora.

Resolution 23-40 passed this 17th day of April 2023.

Gene Hausauer
Mayor

Charleen Grossman
City Clerk-Administrator

CONSENT AGENDA:

Mayor Hausauer asked if there were any additions, corrections, or deletions to be made to the Consent Agenda:

A motion was made by J. Dorry and seconded by Sykora and passed unanimously to approve the Consent Agenda as presented.

APPROVAL OF MINUTES:

6.a. *Approve Minutes Regular Council Meeting 4/3/23

A motion was made by J. Dorry and seconded by Sykora and passed to approve the council minutes of the 4/3/23 meeting.

PUBLIC HEARINGS:

7.a.

ACCEPTANCE OF BOARD AND COMMITTEE MINUTES AND, WHERE NECESSARY, COUNCIL ACTION ON THEIR RECOMMENDATIONS:

8.a. *Planning & Zoning Meeting Minutes 4/11/23

8.a.1. Findings of Fact Recommendations

A motion was made by J. Dorry and seconded by Sykora and passed unanimously for the rezoning of the following parcels:

Parcel Number: 22-1675-010-OL 178 SECTION 9: TOWNSHIP 121: RANGE: 46-Owned by H6 Minnesota Holdings LLC-Rezoned from Limited Industry (I-1) to General Business (B-2).

Parcel Number: 22-1627-000-OL 133: OUTLOT 133: SECTION 9: TOWNSHIP: 121: RANGE 46-Owned by City of Ortonville-Rezoned from General Business (B-2) to General Industry (I-2).

Parcel Number: 22-0048-000-OL'S 148, 149, 152 AND WLY 25' OF SLY 280.87' ADJOINING ELY LINE OF OL 150 F63116 & F63216 ORTONVILLE CITY LANDS- Owned by Ottertail Power Co.-Rezoned from General Business (B-2) to General Industry (I-2).

8.b. *EDA Meeting Minutes 3/14/23

8.c. *EDA Meeting Minutes 4/11/23

8.c.1. Approval of new member -Drew Dohman

Karels moved and T. Dorry seconded that the following Resolution be adopted:

**RESOLUTION 23-41
RESOLUTION APPOINTING DREW DOHMAN TO THE EDA BOARD**

BE IT AND IT IS HEREBY RESOLVED by the Council of the City of Ortonville to appoint Drew Dohman to the EDA Board.

Upon roll call vote the following voted Aye: J. Dorry, Sykora, T. Dorry, Hausauer, Berger, Powell and Karels. Nay: None.

Resolution 23-41 passed this 17th day of April 2023.

APPROVED:

ATTEST:

Gene Hausauer
Mayor

Charleen Grossman
City Clerk-Administrator

8.c.2 Approval of Commercial Rehabilitation Program

A motion was made by Karels and seconded by Powell and passed to approve the commercial rehabilitation program for properties located outside the SCPD target area or those ineligible for funds.

8.d. *Park Board Meeting Minutes 4/12/23

8.e. *Board of Review Meeting Minutes 4/10/23

STAFF REPORTS:

9.a. The city employees have been busy working at the lift station on the peninsula due to flooding issues. Two employees per 8 hour shifts have been working out well. Char has talked to Jade at Hasslens to find out the status of the Public Safety Building renovations. He said they are working on the flooring and we need to consider a second restroom.

NEW BUSINESS:

10.a. *1st Reading of Ordinance 23-02

10.b. *1st Reading of Ordinance 23-03

10.c. *1st Reading of Ordinance 23-04

10.d. *1st Reading of Ordinance 23-05

10.e. *Amendment #2 Whetstone River Flood Risk Project

J. Dorry moved and Sykora seconded that the following Resolution be adopted:

**RESOLUTION 23-42
RESOLUTION APPROVING AMENDMENT #2 FOR GRANT CONTRACT
AGREEMENT FOR THE WHETSTONE RIVER FLOOD RISK REDUCTION
PROJECT**

BE IT AND IT IS HEREBY RESOLVED by the Council of the City of Ortonville approve Amendment #2 for the grant contract agreement between the State of Minnesota and the city for the Whetstone River Flood Risk Reduction Project. Revision 1. Clause 1.2 “Expiration date is amended as follows: Expiration date of December 31, 2023 to December 31, 2028, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

NOW, THEREFORE BE IT RESOLVED that the City Clerk is hereby authorized to execute

amendment #2 thereto, as necessary to implement the Whetstone River Flood Risk Reduction Project.

Upon roll call vote the following voted Aye: J. Dorry, Sykora, T. Dorry, Hausauer, Berger, Powell and Karels. Nay: None.

Resolution 23-42 passed this 17th day of April 2023.

APPROVED:

ATTEST:

Gene Hausauer
Mayor

Charleen Grossman
City Clerk Administrator

10.f.*Approve part-time Ardell Hjelle & Cadyn Vanderwal-Golf Course

J. Dorry moved and Sykora seconded that the following Resolution be adopted:

RESOLUTION 23-43
RESOLUTION HIRING OF ARDELL HJELLE AND CADYN VANDERWAL AS A SEASONAL PART-TIME GOLF COURSE EMPLOYEE AT A STEP 1

BE IT AND IT IS HEREBY RESOLVED by the Council of the City of Ortonville to hire Ardell Hjelle and Cadyn Vanderwal as a seasonal part-time golf course employee at a Step 1.

Upon roll call vote the following voted Aye: J. Dorry, Sykora, T. Dorry, Hausauer, Berger, Powell and Karels. Nay: None.

Resolution 23-43 passed this 17th day of April 2023.

APPROVED:

ATTEST:

Gene Hausauer
Mayor

Charleen Grossman
City Clerk-Administrator

10.g. Ortonville Summer Rec Activity Catalog

10.h.*Approve Artichoke Township Agreement

J. Dorry moved and Sykora seconded that the following resolution be adopted:

RESOLUTION 23-44
APPROVING TOWNSHIP OF ARTICHOKE FIRE CONTRACT

BE IT AND IT IS HEREBY RESOLVED by the City Council of the City of Ortonville,

Minnesota that the agreement between the City of Ortonville and the Township of Artichoke be and are hereby approved to provide fire protection to the Township for a five year period and that the Mayor and Clerk-Administrator are hereby authorized to sign such agreements.

Upon roll call vote the following voted aye: J. Dorry, Sykora, T. Dorry, Hausauer, Berger, Powell and Karels and the following voted Nay: None.

Resolution 23-44 passed this 17th day of April 2023.

APPROVED:

ATTEST:

Gene Hausauer
Mayor

Charleen Grossman
City Clerk Administrator

UNFINISHED BUSINESS:

11.a. Curt Arndt Residence

CONSIDERATION OF BILLS:

12.a. Approve Expenditures-4/17/23

Berger moved and Karels seconded that the following Resolution be adopted:

**RESOLUTION 23-45
RESOLUTION APPROVING EXPENDITURES OF 4/17/23**

BE IT AND IT IS HEREBY RESOLVED that the expenditures as listed in the Council report and on file at the City Clerk's Office in the amount of \$177,071.25 to be paid.

Upon roll call vote the following voted Aye: J. Dorry, Sykora, T. Dorry, Hausauer, Berger, Powell and Karels. Nay: None:

Resolution 23-45 passed this 17th day of April 2023.

APPROVED:

ATTEST:

Gene Hausauer
Mayor

Charleen Grossman
City Clerk Administrator

NEW ACTIONS:

13.

EXECUTIVE SESSION:

14.

ADJOURNMENT:

15. Meeting adjourned at 5:45 P.M.

APPROVED:

ATTEST:

Gene Hausauer
Mayor

Charleen Grossman
City Clerk Administrator