

Waverly City Council
Special Session
Wednesday, August 27, 2025
5:00 PM Central

Waverly City Offices
Council Chambers
502 Atlantic Ave.
PO Box 189
Waverly, MN 55390

Ben Duske: Present
Ethan Erhardt: Absent
Connie Holmes: Present
Scott Jacobson: Present
Jim Kittock: Present
Present: 4, Absent: 1.

1. Call to Order

The Waverly City Council Special Session was called to order at 5:00 p.m. by Mayor Holmes.

2. Roll Call

Council Members Present: Mayor Constance Holmes, Jim Kittock, Scott Jacobson and Ben Duske.

Absent: Ethan Erhardt

Staff Present: City Administrator Carrie Krienke, Accountant Cierra Nagovsky, Maintenance Supervisor Jason Karels, Liquor Store Manager Wanda Tussing and Courtney Schroeder.

Others Present: Glen and Karen Mumford, West Central Sanitation representatives Taylor and Don Williams.

3. Agenda Approval

A motion was m/s/p, Jacobson/Duske, to approve the agenda as presented. All present voted in favor.

4. Resolution Approval

The Mayor informed the Council that Ethan Erhardt had tendered his resignation effective immediately. A copy of his necessary resignation letter and the resolution were included in the Council packet. Resolution 25-17.1 would accept the resignation and declare a vacancy.

The Mayor explained that Ehtan’s term was through December 2028 as he had just been elected. The Council will need to appoint someone to replace him, who will serve through December 31, 2026. A special election will be included in November 2026 for the remaining two years of the term.

The process will involve issuing a notice to the community asking for letters of interest and resumes. An ad will be published in the paper on September 5th and 12th, with notices also being posted on the city website, Facebook page, and city sign. Letters of interest and resumes should be submitted to Carrie by September 17th 2025.

Depending on the number of candidates, interviews would be conducted on September 24th (if 5 or fewer candidates) or candidates would be narrowed down and interviews conducted the following week. The swearing-in will take place on October 14th, 2025, meeting.

A motion was m/s/p, Jacobson/Duske, to approve Resolution 25-17.1 accepting resignation of Ethan Erhardt. Motion carried unanimously by roll call vote.

5. Mumford Sanitation - Glen & Karen Mumford

Glen and Karen Mumford addressed the Council regarding their waste disposal proposal. Glen noted they have been in business for 100 years, with Burns Rack starting to haul burn barrels in Waverly in 1925. They are the only independent garbage hauler left in Wright County, located just 5 miles down the road. They employ 12-15 local people and have recently purchased more trucks and hired a full-time mechanic.

The Mayor expressed concern about the proposal, noting it maintained the same rates for the next three years with no increase. She mentioned the numerous complaints about trash can deliveries, missed routes, and oil leaks on roads. She questioned whether Mumford could financially maintain operations and equipment at the current rates.

Karen clarified that an issue reported as hydraulic fluid on North Shore Drive was actually paint that someone had put in their cart, which leaked out with rainwater. She explained that the delivery of carts had been addressed with additional staff assigned to that task.

Jordan Holmquist from Mumford offered to improve communication with city staff, suggesting he could physically come to city offices weekly to coordinate cart deliveries and address issues. He provided his contact information and emphasized that the company was committed to improving service.

The Mayor and Council noted that while they appreciated Mumford's local presence and long history with the city, they needed improved customer service, including a faster response, moving forward.

6. West Central Sanitation - Taylor & Don Williamson

Don Williamson and his son Taylor presented information about West Central Sanitation. They have been in business for 46 years, starting in Willmar in 1979. They now have locations in Alexandria, Redwood Falls, Mankato, and Hutchinson, serving 25-26 counties in Minnesota. They service nearby communities including Annandale, Silver Creek Township, and Corrina Township.

Don explained that they have maintained some contracts for as long as 40 years. Regarding hydraulic leaks, he acknowledged that all garbage trucks occasionally have this issue, but they have emergency procedures and staff equipped to immediately address any leaks.

For cart delivery, they have 4-5 full-time people dedicated to cart and dumpster delivery, with Waverly scheduled to receive cart deliveries every 5 business days. They would assign a specific customer service representative to Waverly for daily or weekly communication.

In response to the Mayor's question about their recycling process, Don explained that material collected would go back to Willmar and then to DemCon in Shakopee for processing.

7. Liquor Store - Survey Update

The Mayor Holmes reported on the survey conducted at the request of the Council regarding the on-sale operation and financial situation. The survey was publicized in the newsletter, going to each resident in the city, and on the website and Facebook. There were 110 responses, with the majority voting to keep the on-sale open. Some suggested closing the on-sale and expanding the off-sale, while 6 respondents suggested closing the entire operation and selling.

The committee reviewed the survey results and suggested recommendations, which were presented in a memo to the Council.

Moved by the Mayor Holmes, seconded by Councilmember Duske, that the municipal on-sale operation should remain open and operating through at least the end of the year; to immediately begin the recruitment process to hire a replacement for Wanda Tussing who is retiring next June, with the objective of having that individual on board by January 1, 2026; the new manager will be trained in both on and off sale operations as well as running the events in Village Hall and will be given the opportunity to improve the on-sale performance; should an acceptable candidate not be recruited by the end of the year, the Council will revisit the decision; further steps will be taken to improve operations immediately, including opening on-sale at 1:00 or noon on Saturday for college football games (provided staff is available), raising the prices of all drinks by 50 cents, increasing the number of events sponsored by the on-sale, and advertising more heavily with the help of in-house and city staff. Motion carried unanimously.

Wanda reported she had met with the Lions Club about conducting activities at the liquor store. They were considering using tip cards instead of meat raffles, and possibly doing bingo events at Village Hall once or twice a year. She also created a Thursday night special featuring pepperoni pizza and two Budweiser's for \$16.

The Council discussed opening on Sundays for 8 football games and 3 other events for the remainder of the year, as the on-sale has not been open on Sundays this year.

A staff member raised concerns about the door between the on-sale and off-sale areas, noting it was difficult to hear customers and monitor both areas. The Council agreed the door could be closed.

8. 2026 Budget Update

Cierra Nagovsky presented the 2026 budget update, displaying spreadsheets on a projector. The presentation covered all funds except public works, which had been reviewed at the previous meeting.

General Government Department: Most items remained consistent with minor adjustments. Employee recognition was increased to allow for twice-yearly events (summer and winter). Office supplies were adjusted based on actual usage. Special assessments were decreased based on historical usage patterns. Engineering fees increased due to watershed improvement projects

(with anticipated grant funding to offset costs). Insurance was reduced from \$98,000 to \$75,000 based on actual costs.

Wages and Staffing: The budget included approximately 5% wage increases and funding for a temporary part-time administrative staff member. The new FMLA (Family Medical Leave Act) requirements effective January 1, 2026, were incorporated, with costs calculated per staff member at 0.44% of wages. Even council members, election judges, and cleaning services would be subject to FMLA withholdings.

Admin Training and Communications: Training budget increased to accommodate new accounting software implementation and clerk institute completion. Telephone budget was adjusted upward to reflect actual costs after discovering Comcast billing issues that were caused by faulty mail service went unnoticed for several months.

Planning & Zoning: Added \$25,000 for Bolton & Menk's City Planner professional services, previously unbilled to P&Z. Similarly, City Attorney's legal services for P&Z were properly allocated rather than charged to the general fund.

Police Services: The 2026 police contract showed \$115 per hour for 2,196 hours.

Building Permits and Fees: Increased building permit fees to MetroWest due to numerous new constructions expected to be finalized in 2026.

EDA and Debt Service: City Planner's services for EDA were set at \$15,000. The 2018 bond principal and interest numbers were confirmed as actual figures for 2026.

Liquor Store Operations: Off-sale wages included a 5% increase plus a new manager position at approximately \$70,000 (including benefits) for half a year alongside Wanda's position. Also included are retirement costs for Wanda (PTO Payout). A \$5,000 budget line was added for Waverly merchandise (sweatshirts, beer koozies, etc.) to sell at the liquor store. Beer, wine, and liquor costs increased 20% (\$20,000) to account for anticipated price increases and tariffs on aluminum cans.

Events and Entertainment: Added budget for music and entertainment to sponsor more community events at Village Hall.

IT Fund: Created as a new fund with \$77,000 for software, new firewall hardware (\$13,000), and various subscriptions including cybersecurity training, Adobe, Microsoft, GIS cloud services, and ClerkMinutes. Discussed adding vehicle trackers for public works vehicles at \$100 each plus \$50/month subscription.

Health Insurance and Benefits: Jennifer Stratton from Flagship recommended budgeting for a 10% health insurance increase, 2% for vision, and 4.5% for dental. After discussion about balancing wage increases with benefit contributions, the council agreed to increase the city's health insurance contribution from \$1,100 to \$1,200 monthly while maintaining 5% wage increase for budgeting purposes.

Parks: Discussion arose about the swimming dock at the beach needing replacement at approximately \$16,000. Councilmember Ben Duske and Scott Jacobson strongly opposed removing it permanently, noting its regular use. The council agreed to budget for a replacement.

Utility Rates: Montrose announced a 5% increase across all their rates. The council reviewed various rate scenarios, ultimately settling on a 3% sewer rate increase for budgeting purposes. A proposed \$2.50 monthly technology surcharge was discussed to help fund upgrades and future instant-read water meters, which would allow residents to monitor their water usage and receive leak alerts.

9. RFP – Audit

The Mayor reported that three audit firms had responded to the RFP, with all offering costs slightly less than what the city currently pays. She noted that Abdo and Clifton Larson were both good options with similar costs, but felt Abdo was more professional and had staff with appropriate qualifications.

Councilmember Duske mentioned that the fire department started using Abdo 2-3 years ago and they are better than previous audit firms. It was also noted that Montrose uses Abdo, which could be advantageous when doing rate work for the agreement to join the Annandale, Howard Lake, Maple Lake Wastewater Commission and to hook into their Waste water plant located south of Maple Lake.

A motion was m/s/p, to accept the RFP from Abdo for Audit Services. All present voted in favor.

10. RFP - Refuse & Recycling

The council engaged in extensive discussion about the refuse and recycling proposals.

The council discussed educating residents about proper disposal of paint, motor oil, and grease. Mayor Holm emphasized the need for Jordan from Mumford to communicate weekly with staff.

A motion was m/s/p, Duske/Kittock, to accept the RFP from Mumford Sanitation as the waste and recycling hauler for Waverly. All present voted in favor.

11. Maintenance Update

Maintenance Supervisor Jason Karels provided several maintenance updates:

Electrician Work at Village Hall: Completed what was possible pending arrival of a third unit. Jason attempted to get a status update but hadn't received a call back.

Storm Main at Park: Successfully located the entire line from manhole to tank using a field drain tile probe. The easement deed was being processed by Rhonda through Wright County.

City Hall Trusses: The situation had changed significantly from his last report. The engineer would no longer sign off on repairs, requiring four new trusses. This would involve removing the tin roof sections at a time, with the contractor estimating a two-day window without rain needed for completion. The trusses would be "sister trusses" bolted alongside the existing damaged ones. Jason was awaiting cost estimates and timeline from Litfin. The bottom chords showed no cracks, only the upper sections, which meant they wouldn't need to remove the ceiling but would

need to add insulation after repairs. In the interests of time, the Council agreed to take an email vote to proceed once the cost estimates are available.

Copper Exceedance: The optimal corrosion control treatment plan was approved by the state. Jason scheduled a meeting with Hawkins to discuss chemical costs. Installation must be completed by July 29, 2027

12. Administrative Items

Carrie Krienke briefly mentioned an angry building owner (Scott Johnson) who wanted to establish a medical biohazard facility in the industrial park. The use was not permitted in industrial zoning and was near a daycare facility. The owner had previously been denied for a distillery and was threatening legal action, claiming the city should buy his building since they wouldn't approve his desired uses. Council confirmed none of his proposed uses were on the approved list for industrial zoning.

12.A. Ram Construction Change Order Approval

A motion was m/s/p, Duske/Jacobson, to approve invoice change for timed locking system for Legion Park Bathrooms. All present voted in favor.

12.B. 2026 Fee Schedule – Draft

Fee Schedule Updates: Carrie Krienke presented extensive fee schedule revisions:

- Dog-related violations structured with first offense (\$60), second offense (\$100), and third offense requiring court appearance
- No dog license fine increased to \$100
- Village Hall rental increased to \$750 for non-residents and \$600 for residents due to new AC
- Building permit fees increased from \$50 to \$60
- New motorized golf cart permits at \$10 with proof of insurance required
- Rental dwelling unit license increased from \$10 to \$60 with a \$500 fine for non-compliance
- Water/sewer disconnect fees set at \$220 for non-payment but only \$25 for seasonal/snowbird disconnections
- New zoning application fees including variances (residential, commercial, shoreland) with required escrows due to consultant costs ranging from \$480-\$800 per report

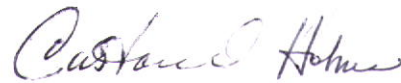
13. Other Business

Jason Karels mentioned meeting with residents at 331 Lachermeier Lane about a pool drainage issue. The city's insurance adjuster recommended fixing the drainage slope, which Sheila had been holding off on per Rhonda's advice until after the meeting with the adjuster. The adjuster indicated the claim would likely be rejected but recommended proceeding with repairs to the drainage slope.

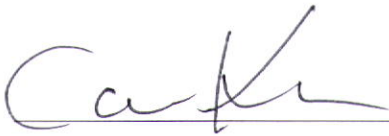
The council was invited to view the selected colors for the Legion Park bathroom.

14. Adjournment

A motion was m/s/p, Jacobson/Kittock to adjourn the meeting at 7:03 p.m. All present voted in favor.



Mayor, Constance Holmes



City Administrator/Clerk, Carrie Krienke