

GOOD THUNDER REGULAR COUNCIL MEETING

Minutes of the Meeting

JUNE 8 2020

Mayor Robert Anderson called the meeting to order at 7:00p at City Hall at 130 S Ewing Street in Good Thunder, MN 56037. Councilors Ron Kaul, Sarah Karels, Councilor Jim Prom & Councilor Tom Froehlich were present. Brian Beckel, City Maintenance, and Ashney Helleksen, City Clerk-Treasurer were also present. Mayor Robert Anderson presided. Pledge was recited immediately followed by a moment of silence.

Councilor Froehlich made a motion to approve the minutes, with one correction on the last page from the May meeting, councilor Prom seconded, motion carried.

Councilor Froehlich made a motion to approved the bills and agenda, Councilor Karels seconded the motion and the motion carried.

Police and Fire Reports were submitted to Clerk Helleksen;

The Sheriff's department had 59 hours of coverage for the month of May. They have received many complaints about the speeding and stop sign violations on Halladay & Hiller Dr. The staff is aware and monitor these areas when they are in town.

The Fire Department had 3 medical calls and 1 vehicle accident / Vehicle on fire. They had a Blood drive on June 2, 2020 and had roughly 20 people that donated. Training has been postponed again due to Covid.

It was suggested about a crushed rock "speedbump" to help slow traffic on Hiller Dr, also adding a 'bump' sign so that people are aware it is ahead. Also, there was two (2) additional stops signed added to Mielke St to address the speeding on that side of town as well.

City Maintenance Brian Beckel said its his goal to have the sign in and put up a week from today, as long as they arrive.

Resident Brandon Lindsey, 444 S. Halladay St stated that the Sheriff's department pulled over about 7 people on Friday in about a 45-minute time span. Mr. Lindsey also stated, "people walk there dogs there, kids ride on their bikes. I don't want to see someone get hurt. People keep moving the barricades into my yard, I am about to get cameras to catch them."

Mayor Anderson suggested that Brian check the barricades each morning and make sure they are where they need to be.

Resident Jay Winters, 544 Mielke St stated that he has seen an increase of traffic on his side of town as well. He put a cone in the middle of the road to bring attention to the stop sign. He stated that people are not stopping coming from the West.

Council also suggest that DMI puts up some more detour signs, as a lot of people are unsure of where they should go. Councilor Prom suggested maybe a 'No outlet" sign by the grain elevators to let people know.

Zoning Permits GT was presented for R131810107001 (no current address), to level out the property and add rock.

Councilor Prom made a motion to approve the permits, Councilor Kaul seconded, motion carried.

City Maintenance stated that the CSHA 1 (Sherman St) Project is still on going, and everything is going well. The Bathrooms at the City Parks are open, but have seen low traffic. Beckel is cleaning / sanitizing every morning, no issues thus far.

Mayor Anderson mention the wooden play structure at the City Park on Main street, we have been told for years that it needs to be removed because it is out of code. He inquired if it could be replaced with another wood one or if it would have to be metal. Clerk Helleksen & City Maintenance will work on that issue. League of Minnesota Cities Loss Prevention will be down in July again to see what changes were made from the 2019 review.

Beckel stated that we need new mulch at Thunder Valley park. It was suggested to look into the cost of the recycled mulch and the rubber mats as we are having to replace the wooden mulch annually or biannually at this point. Councilor Prom stated the City of Winnebago just redid their parks with recycled and maybe they can give us some insight to making the switch.

Beckel went on to update us about the tiling at the baseball park / basketball court, we are hoping to have the tiling done this summer/fall. Since Twins Youth Camp was postponed, now is a good time to do it. The basketball court is needing to be removed and replaced, but we need to have the tiling done first so we don't run into the same issues again in the future. Councilor Prom suggested we look at it in August at budget time for a new ball court and new bleachers for the ball field as those are outdated too.

Clerk Helleksen mention that this coming Friday, June 12th will be the Farmer's Market from 4-6pm; Resident Becky Harhaj is the person of contact and has 16 venders lined up and food truck TNT Eats will also be on hand. Mrs. Harhaj and Clerk Helleksen have worked together with Jen from The Thunder Bar & Restaurant and she will also be offering a coupon for a free dessert or drink with purchase made at the market. They are three (3) dates for the 2020

Farmer's Market this year, June 12, July 10 and August 14. If all goes well, they might add September 11 as a bonus date.

Under unfinished business, the Small City Development loan was addressed. The previous week, a resident had requested some information from the city about the status of the loan. The questions were submitted in writing to the city clerk and she forwarded them to the City attorney to advise her on how to answer. Kennedy advised the clerk that the loan is public information and the resident has the right to know those answers. Clerk Helleksen responded to the request and submitted the questions to the attorney for review; once they were approved, Helleksen returned the questions answered to the Resident.

Residents in the audience of the meeting spoke up and stated that "council was being vague, and would like to know what those questions were." Councilor Froehlich said maybe we should just read the questions and responses that were submitted. Mayor and remaining Council agreed.

Councilor Prom asked if Mrs. Helleksen would like to read them, she declined and he read it to the residents.

It was as follows; Questions: *First how far behind are they? What is the balance left owed? How much is the city responsible for? Do they fall under the COVID 19 relief program (i.e. Deferred payments for x months).*

How much is it going to cost our city to legally pursue the money? What rights do we (as in the community) have to get the money paid?

How much time is left on the length of the loan? What are the terms of the loan? Is the property being used as collateral?

Also would like to know prior payment history.

Do they have a history of being late? Is there a payment arrangement option if they fall behind

Response from The City:

"" After a conversation with the City Attorney here is what I can tell you in response to your questions that you submitted;

The Small City Development loan currently is 4 months behind. The next payment is due June 15, 2020. The remaining balance of the loan is \$41,407.80.

The city would be responsible for 50% of the loan and Blue Earth County the other 50%. So, where it stands today, the city would be responsible for \$20,703.90.

The city does not have a policy for COVID19 or a Relief program. With the loan being behind 4 months, we don't see that deferring payments would make a difference.

The cost to legally pursue the loan funds is a unknown.

The loan is due to be paid in full by January 15, 2024. As it was a 5 year loan agreement.

The Terms of the loan in short,(a copy of it is at city hall and the undersigned has a copy):

Undersigned promised to pay to the order of the City of Good Thunder; the principal sum of \$45,000.00 plus interest at the rate of 5.00% per annum on the unpaid balance for equipment and repairs only. Principal and interest shall be payable in monthly installments as follows:

\$480.00 starting February 15, 2019 and same amount on the same day each month thereafter, with the final installment of approximately \$25,483.30 due on January 15, 2024.

As for Security for this and other liability or liabilities of the undersigned, to the City of Good Thunder, due or to become due, whether existing or hereafter arising and howsoever evidence or acquired, the undersigned hereby grants a security interest to the City of Good Thunder, the building and property located at 443 E Main Street owned by the undersigned located in Good Thunder, Minnesota. The under-signer will maintain insurance and provide copy yearly. In the event that default shall be made in the due and punctual payment of any said installments, or upon non-payment when due of the principal balance on the due date of this note, then the whole principal of this note remaining unpaid shall immediately become due and payable without presentment, demand, or notice of any kind. The undersigned shall pay all cost of collections including reasonable attorney fees in the event of default and collection proceedings under the Uniform Commercial Code.

This is signed by The Owner, Co-Signer, City Clerk and the Mayor of Good Thunder.

Payment History on the loan is as follows:

February 10, 2019 – Payment received February 9, 2019 via check

March 10, 2019 – Payment received March 11, 2019 via cash

April 15, 2019 – Payment was made via Loan Money

May 15, 2019 – Payment was made May 16, 2019 via Cash

June 15, 2019 – Payment was made July 17, 2019 via Cash

July 15, 2019 – Payment was made September 24, 2019 via Check

August 15, 2019 - Payment was made September 24, 2019 via Check

September 15, 2019 - Payment was made September 24, 2019 via Check

October 15, 2019 - Payment was made February 25 2020 via MoneyGram

November 15, 2019 - Payment was made February 25 2020 via MoneyGram

December 15, 2019 - Payment was made February 25 2020 via MoneyGram

January 15, 2020 – Payment was made May 27, 2020 via Cash

February 15, 2020 – Outstanding as of May 29, 2020

March 15, 2020 - Outstanding as of May 29, 2020

April 15, 2020 - Outstanding as of May 29, 2020

May 15, 2020 - Outstanding as of May 29, 2020

There is no payment arrangement options if the undersigned falls behind. The Loan agreement states that the city may call the loan in full at any time when the payment is late. ""

Residents then voiced concerns and comments

Lee Hiller – “Its Fraud. It was Fraud to begin with! They should be locked up”

Jay Winters – “Where do we go from here?”

Brandon Lindsay – “It’s an inconvenience store, they should just shut the doors.”

Mayor Anderson said, “Stores are very important to a community, but they have to be honest.”

Residents wanted to know what was next and what the city has done already to move forward.

Councilor Prom stated that “Three Months ago, a letter was sent to the business owner and the co-signer, that the city was calling the note in full. They did not respond to the letter and in turn the business owner had an attorney send a Cease & Desist letter.

The city is still trying to decide what the best avenue is to take in this matter.

There was a small discussion about the city starting its own EDA, it would have to be started with city funds, However this would give the city the choice to be lenders of first resort, instead of last, and would hopefully bring some businesses to town.

Also, under unfinished business as the alley south of Councilor Karels home, she would like to have it reestablished; This would get her access to behind her property and the city a place to move snow off the street in the winter. Councilor Prom made a motion to approved reestablishing the alley and to making a 20 FT curb cut and put gravel down to make it useable. Councilor Froehlich seconded the motion, Councilor Karels Abstained and the motion carried.

Under New Business the delinquent water bills were discussed, Council requested Helleksen to send out letter to the residents and let them know that they need to be paid in full or they will be turned off.

Helleksen mention that we received a letter from the Minnesota Department of Revenue and that the 2017 w2's were short almost \$400 and that needed to be paid before June 26, 2020.

Councilor Froehlich asked Helleksen if she could contact Wendell at SCSC about residents with out water to their property and what can be done, if anything, because people really shouldn't be living in a home without water. Councilor Kaul suggested reaching out to Judd Schultz at MVAC and see if there is anything he can do as well.

Helleksen mentioned that we really need to work on ordinances suggested by Deputy Phillips and get those set where we want. Councilor Karels agreed and has some time free before the next meeting. Helleksen, Beckel and Karels will be working on firming those up and getting them over to Deputy Phillips in the next couple weeks.

Councilor Kaul made a motion to adjourn the meeting, Councilor Prom seconded and the motion carried. Meeting adjourned at 8:45p.