

**Announcement of Meeting
City Council
Regular Meeting Minutes**

Tuesday, January 28, 2025

5:00 PM

Council Chambers

A. CALL TO ORDER - ROLL CALL

Present: Mayor Patrick Baustian, Council Member Caroline Thorson, Council Member Kevin Aaker, Council Member Dan Nath, and Council Member Marlin Kracht

Additional : Benjamin Vander Kooi, Jessica Mead, Jill Wolf, and Tyler Reisch

B. PLEDGE OF ALLEGIANCE

C. APPROVAL OF AGENDA AND SPECIAL ORDERS

With the addition of Change Order No. 6 for Luverne Aquatics and Fitness Center Expansion Project under H.3. A motion was made by Council Member Nath, seconded by Council Member Aaker, that the Agenda and Special Orders be approved. The motion carried unanimously.

D. APPROVAL OF MINUTES OF PRECEDING MEETING(S)

D.1. 2025-27 2025-01-14 Special City Council Minutes.
2025-01-14 City Council Minutes.

A motion was made by Council Member Thorson, seconded by Council Member Nath, that this Motion be approved. The motion carried by a unanimous vote.

E. RECOGNITION OF GUEST(S)

Larry Nicholson, Randy Hamm, Lori Sorenson and Isaac DeBoer.

F. PETITIONS, COMMUNICATIONS, COMMITTEE/COMMISSION REPORTS

F.1. 2025-28 November 18, 2024 EDA Minutes.
November 25, 2024 LFD Minutes.
November 30, 2024 LFD Minutes.
December 9, 2024 LAF Minutes.

A motion was made by Council Member Aaker, seconded by Council Member Thorson, that this Motion be approved. The motion carried by a unanimous vote.

G. STAFF AND CONSULTANT REPORTS

G.1. 2025-30 City Administrator Report.

The water and wastewater department is focusing on sewer cleaning and pump maintenance, while the electric team is replacing street light fixtures and fixing heaters. The Aquatics and Fitness Center is concluding January's fitness challenges and preparing for Heart Health Month in February, which includes free blood pressure checks and other heart-healthy activities. Additionally, there is a final call for participants to sign up for an upcoming lifeguard class.

H. FINANCE AND BUDGET

- H.1. 2025-29** Second Claim Report for January 2025 (Check No. 163886-163977) for \$1,092,274.39.

A motion was made by Council Member Nath, seconded by Council Member Thorson, that this Claim Report be approved. The motion carried by a unanimous vote.

- H.2. 2025-20** Contract Change Order No. 12 for a Contract Increase of \$12,224.09 to Knutson Construction RE: Childcare Facility.

This change order includes the following scope changes: Lowered the bulkhead near employee entrance; Added bulkhead and ceiling scope in loading dock; Added miscellaneous brick patch work throughout; Changed door handles per RFI response; Added data drop for Watch Me Grow monitor; Changed (2) sets of grab bars in kids stalls because of flush valve conflicts.

These changes result in a net increase of \$12,224.09, which will come out of the contingency balance. After this change order, the balance remaining in contingency is \$192,189.14. The guaranteed maximum price remains unchanged.

A motion was made by Council Member Thorson, seconded by Council Member Kracht, that this Motion be approved. The motion carried by a unanimous vote.

- H.3. 2025-32** Change Order No. 6 for a Contract Decrease of \$38,000 to Hoogendoorn Construction RE: Luverne Aquatics and Fitness Center Expansion and Remodel Project.

Upon Hoogendoorn's completion of punch list items for the Luverne Aquatics and Fitness Center Remodel project, the contract balance to close the project was \$72,797.11. The City has assessed liquidated damages with this change order in the amount of \$38,000. With the acceptance of this change order, the architect will process final paperwork and payment request in order to close this project out.

A motion was made by Council Member Aaker, seconded by Council Member Nath, that this Motion be approved. The motion

carried by a unanimous vote.

I. PERSONNEL

I.1. No items under personnel to consider.

J. ORDINANCES AND RESOLUTIONS

J.1. [6-25](#) PROPOSED RESOLUTION
A RESOLUTION INCREASING THE FEE CHARGED FOR THE
MARATHON WATER HEATER PROGRAM

The Finance Director proposes a resolution to increase the fee charged for the Marathon Water Heater Program from \$600 plus sales tax to \$1,200 plus tax. The current fee, unchanged since 2015, is insufficient due to the significant increase in the cost of Marathon water heaters. The adjustment ensures the program's financial sustainability. The new fee will be included in section 10, "Rebates and Incentives," of Resolution 42-24 and reviewed annually. Adoption of the resolution is recommended to maintain the program's integrity.

A motion was made by Council Member Thorson, seconded by Council Member Kracht, that this Resolution be adopted. The motion carried by a unanimous vote.

K. MOTIONS AND GENERAL BUSINESS

K.1. [2025-26](#) Annual Liquor, Sunday On-Sale and Optional 2 AM Licenses for Arcade Dining on Main LLC DBA Arcade Dining on Main for February 1, 2025 through December 31, 2025.

The owners of Arcade Dining on Main applied for an annual liquor, Sunday on-sale and optional 2 AM liquor licenses for their new restaurant at 105-107 East Main. The license period requested commences on February 1, 2025 and expires on December 31, 2025. The following materials have been submitted: application and certificate of insurance. The following materials are outstanding: background checks, fee payment and restaurant license from the State of Minnesota. If approved by City Council, applications will be sent to the State for approval as well.

A motion was made by Council Member Nath, seconded by Council Member Aaker, that the licenses be approved contingent upon completed application materials. The motion carried by a unanimous vote.

L. COUNCIL REQUESTS - GENERAL DISCUSSION

M. ADJOURNMENT

A motion was made by Council Member Thorson, seconded by Council Member

Kracht, to adjourn the meeting at 5:24 p.m. The motion carried unanimously.

Jessica Mead, City Clerk

Patrick T. Baustian, Mayor