

**City Council**  
**2026 February Council Meeting**  
**Vergas Event Center & Zoom Id number 267-094-2170 password 56587**  
**6:00 PM on Tuesday, February 17, 2026**

**1. City Parking Lot - Assessment Hearing**

**2. Call to Order**

**3. Citizens' Concerns**

- A. Stray cats in Vergas

**4. Agenda Additions and Deletions**

**5. Approval of Consent Agenda**

- A. Council Minutes of January 20, 2026
- B. Bills paid between Council meetings and Council bills
- C. Liquor Store bills for January 2026
- D. Late water/sewer bills
- E. 2026 Investment Schedule/Bond Schedule
- F. General Fund Special Revenue Money Market Account
- G. 2026 Statement of Receipts, Disbursements and Balances
- H. Committee Reports
  - 1. EDA/HRA
  - 2. Planning Commission
  - 3. Event Center Advisory Board
  - 4. Energy and Resiliency
  - 5. CDH-Vergas Fire Board

**6. City Center Parking Lot**

- A. Engineer Update
- B. Assessment Hearing

**7. Staff Reports**

- A. Engineering Report
- B. Clerk Treasurer Report

**8. Information & Announcements**

Meetings and Events:

- A. 2026 Board of Review, Wednesday, April 8, 2026, 1:00 pm Vergas Event Center Council Chambers
- B. Trail Masterplan Meeting with Hobart Township, Hobart Township Hall, April 14, 2026, at 7 pm.
- C. Household Hazardous Waste Day, Thursday, June 25, 2026, 10:00 - 2:00 Vergas Event Center Parking Lot

Employee 2026 Trainings:

- A. MN Clerk's and Finance Officers – March 24-27, 2026, in Brooklyn Center (Clerk-Treasurer)
- B. LMC, Loss Control Workshop April 1, 2026, in Alexandria (Utilities Superintendent, Maintenance Operator, Clerk-Treasurer)
- C. Municipal Beverage Association (MMBA) April 18 - 21, 2026, Cragun's Resort (Liquor Store Manager)
- D. League of MN Cities Annual Conference June 24-26, 2026, in Rochester (Mayor, Council & Clerk-Treasurer)
- E. 16th Annual Operator Expo, (MN Rural Water) August 25, 2026, (Utilities Superintendent and Maintenance Operator)
- F. Clerk's Advanced Academy- September 10-11, 2026, in Otsego, MN (Clerk-Treasurer)

**9. Adjournment**

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**1. City Parking Lot - Assessment Hearing**

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**Files Attached**

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- 02-17-26 PUBLIC HEARING NOTICE-Assessing Alley Paving Improvements .pdf

CITY OF VERGAS  
 OTTER TAIL COUNTY, MINNESOTA  
 NOTICE OF PUBLIC HEARING  
 REGARDING PROPOSED PROPERTY TAX ASSESSMENTS

NOTICE IS HEREBY GIVEN that the Vergas Council, City of Vergas of Otter Tail County, Minnesota (the “City”), will hold a public hearing, at 6:00 p.m., on Tuesday, February 17, 2026, to be held at the Vergas Event Center, 140 W Linden Vergas, Minnesota, and on zoom meeting ID: 267-094-2170 passcode 56587 or dial in: 312-626-6799 to consider a tax assessments.

The City of Vergas intends to levy special assessments for the cost of the improvements pursuant to Minnesota Statutes Chapter 429, including Minn Stat. 429.061, which authorizes cities to assess benefited properties for public improvements and to collect such assessments through property taxes. These assessments may be collected over a period of up to **10 years, at 6.2% interest** as permitted under Chapter 429 and consistent with Minnesota municipal assessment practices. A preliminary assessment roll is on file and available for public inspection at the Vergas City Hall, 131 Main St E Vergas, during regular business hours. Property owners are encouraged to review their proposed assessment prior to the hearing.

All interested parties are invited to attend and will be given the opportunity to ask questions and to provide public input and/or comments. If you are unable to attend the hearing, you are invited to submit your comments in writing to the City Clerk-Treasurer prior to the scheduled hearing. Written comments and questions will be addressed at the hearing, and a written response will be provided by the city. Non-English-speaking residents and other persons with special needs who plan to attend the hearing are asked to contact City Hall (218) 302-5996 prior to the hearing so arrangements can be made to address any specific requirements.

Julie Lammers  
 Clerk-Treasurer  
 City of Vergas

Assessment Roll:

City of Vergas	Hanson 82000 990072000	Bruhn 82000 990065000	Huddleston Hardware 82000990063000	S&Z Properties 82000990068000	Haarstick 82000 990070001	TOTAL
\$26,326.34	\$3,467.52	\$1,693.44	\$806.40	\$2,016.00	\$2,688.00	\$36,997.70

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**3. Citizens' Concerns**

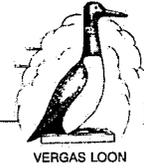
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A. Stray cats in Vergas

**Files Attached**

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- 2023-003 Amending Chapter 91.02 Cats and Dogs.pdf
- Ordinances - Cats.pdf



# City of Vergas

CITY OF VERGAS  
MINNESOTA  
ORDINANCE NO. 2023-003

## AN ORDINANCE OF THE CITY OF VERGAS, MINNESOTA, AMENDING CHAPTER 91.02 OF THE VERGAS CITY CODE DOGS AND CATS.

### Section 1: Purpose:

The City Council of the City of Vergas, Minnesota finds that it needs to update the declaration dogs and cats.

### Section 2: Adoption

NOW BE IT ORDANINED AND ENACTED BY THE CITY COUNCIL OF THE CITY OF VERGAS that the follow subsections of 91.02 of the Vergas City Code are hereby amended to read:

#### 1 91.02 DOGS AND CATS.

##### (A) *Running at large prohibited.*

It shall be unlawful for the dog or cat of any person who owns, harbors, or keeps a dog or cat, to run at large. A person, who owns, harbors, or keeps a dog or cat which runs at large shall be guilty of a misdemeanor. Dogs or cats on a leash and accompanied by a responsible person or accompanied by and under the control and direction of a responsible person, so as to be effectively restrained by command as by leash, shall be permitted in streets or on public land unless the city has posted an area with signs reading "Dogs or Cats Prohibited".

##### (B) *License required.*

(1) All dogs and cats over the age of three months kept, harbored, or maintained by their owners in the city, shall be licensed and registered with the city. Cat and dog licenses shall be issued by the City Clerk upon payment of the license fee as established by the Ordinance Establishing Fees and Charges adopted pursuant to 1 30.11 of this code, as that ordinance may be amended from time to time. The owner shall state, at the time application is made for the license and upon forms provided, his or her name and address and the name, breed, color, and sex of each cat and/or dog owned or kept by him or her. No license shall be granted for a dog or cat that has not been vaccinated against distemper and rabies, as evidenced by a certificate by a veterinarian qualified to practice in the state in which the dog or cat is vaccinated.

(2) It shall be the duty of each owner of a dog or cat subject to this section to pay to the City Clerk the license fee established in the Ordinance Establishing Fees and Charges adopted pursuant to 1 30.11, as it may be amended from time to time.

(3) Upon payment of the license fee as established by the Ordinance Establishing Fees and Charges adopted pursuant to 1 30.11 of this code, as that ordinance may be amended from time to time, the Clerk shall issue to the owner a license certificate and metallic tag for each cat and dog licensed. The tag shall have stamped on it the year for which it is issued and the number corresponding with the number on the certificate. Every owner shall be required to provide each cat and/or dog with a collar to which the license tag must be affixed and shall see that collar and tag are worn when animal is at large. In case a cat or dog tag is lost or destroyed, a duplicate shall be issued by the City Clerk. A charge shall be made for each duplicate tag in an amount established in the Ordinance Establishing Fees and Charges adopted pursuant to 1 30.11, as it may be amended from time to time. Cat and dog tags shall

not be transferable from one cat or dog to another, and no refunds shall be made on any dog or cat license fee or tag because of death of a cat or dog or the owner's leaving the city before the expiration of the license period.

(4) The licensing provisions of this division (B) shall not apply to cats and dogs whose owners are nonresidents temporarily (staying less than 14 consecutive days) within the city, nor to cats or dogs brought into the city for the purpose of participating in any cat or dog show. If the animal owned is a service animal which is capable of being properly identified as from a recognized school for seeing eye, hearing ear, service or guide animals, and the owner is a blind or deaf person, or a person with physical or sensory disabilities, then no license shall be required.

(5) The funds received by the City Clerk from all cat and dog licenses and metallic tags fees as established by the Ordinance Establishing Fees and Charges adopted pursuant to ' 30.11 of this code, as that ordinance may be amended from time to time, shall first be used to defray any costs incidental to the enforcement of this chapter; including, but not restricted to, the costs of licenses, metallic tags, and impounding and maintenance of the dogs.

(C) *Vaccination.*

(1) All cats and dogs kept harbored, maintained, or transported within the city shall be vaccinated at least once every three years by a licensed veterinarian for:

- (a) Rabies - with a live modified vaccine; and
- (b) Distemper.

(2) A certificate of vaccination must be kept on which is stated the date of vaccination, owner's name and address, the animal's name (if applicable), sex, description and weight, the type of vaccine, and the veterinarian's signature. Upon demand made by the any City Employee, the owner shall present for examination the required certificate(s) of vaccination for the animal(s). In cases where certificates are not presented, the owner or keeper of the animal(s) shall have seven days in which to present the certificate(s) to the City Clerk or officer. Failure to do so shall be deemed a violation of this section. Penalty, see ' 91.99

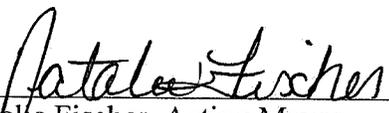
Section 3: Effective Date

This ordinance shall become effective following its passage and publication in the official newspaper of the City.

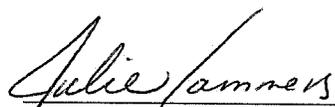
Section 4: Penalty

See section 92.99

Passed by the City Council of Vergas, Otter Tail County, Minnesota this 15<sup>th</sup> day of February 2023.

  
\_\_\_\_\_  
Natalie Fischer, Acting Mayor

ATTEST:

  
\_\_\_\_\_  
Julie Lammers, City Clerk-Treasurer

**' 91.05 IMPOUNDING.**

- (A) *Running at large.* Any unlicensed animal running at large is hereby declared a public nuisance. Any Animal Control Officer or police officer may impound any dog or other animal found unlicensed or any animal found running at large and shall give notice of the impounding to the owner of the dog or other animal, if known. The Animal Control Officer or police officer shall not enter the property of the owner of an animal found running at large or the owner of an unlicensed animal unless the officer has first obtained the permission of the owner to do so or has obtained a warrant issued by a court of competent jurisdiction, as provided for in ' 10.20, to search for and seize the animal. In case the owner is unknown, the officer shall post notice at the city office that if the dog or other animal is not claimed within the time specified in division (C) of this section, it will be sold or otherwise disposed of. Except as otherwise provided in this section, it shall be unlawful to kill, destroy, or otherwise cause injury to any animal, including dogs and cats running at large.

**' 91.09 ANIMALS PRESENTING A DANGER TO HEALTH AND SAFETY OF CITY.**

- (A) If, in the reasonable belief of any person or the Animal Control Officer or police officer, an animal presents an immediate danger to the health and safety of any person, or the animal is threatening imminent harm to any person, or the animal is in the process of attacking any person, the person or officer may destroy the animal in a proper and humane manner whether or not the animal is on the property of its owner. Otherwise, the person or officer may apprehend the animal and deliver it to the pound for confinement under ' 91.05. If the animal is destroyed, the owner or keeper of the animal destroyed shall be liable to the city for the cost of maintaining and disposing of the animal, plus the costs of any veterinarian examination. If the animal is found not to be a danger to the health and safety of the city, it may be released to the owner or keeper in accordance with ' 91.05(C).

**' 91.10 DISEASED ANIMALS.**

- (A) *Running at large.* No person shall keep or allow to be kept on his or her premises, or on premises occupied by them, nor permit to run at large in the city, any animal which is diseased so as to be a danger to the health and safety of the city, even though the animal be properly licensed under this section, and a warrant to search for and seize the animal is not required.
- (B) *Confinement.* Any animal reasonably suspected of being diseased and presenting a threat to the health and safety of the public, may be apprehended and confined in the pound by any person, the Animal Control Officer or a police officer. The officer shall have a qualified veterinarian examine the animal. If the animal is found to be diseased in a manner so as to be a danger to the health and safety of the city, the officer shall cause the animal to be painlessly killed and shall properly dispose of the remains. The owner or keeper of the animal killed under this section shall be liable to the city for the cost of maintaining and disposing of the animal, plus the costs of any veterinarian examinations.
- (C) *Release.* If the animal, upon examination, is not found to be diseased the animal shall be released to the owner or keeper free of charge.
- (D) Penalty, see ' 91.99

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**4. Agenda Additions and Deletions**

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**Files Attached**

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- DRAFT PERSONNEL POLICY 2.17.26.pdf
- 02.11.26 Personnel Committee Minutes.pdf
- Draft Policy - up to 18 week leave.pdf
- Resolution 2026-002 to support EDA.HRA for Growing Up Vergas.pdf
- Resolution 2026-003 City of Vergas Assessments.pdf

**City of Vergas  
Personnel  
Policy**

**Introduction**

1. It is the purpose of this policy to establish a uniform and equitable system of personnel administration for employees of the City of Vergas. The policy provides information about certain terms and conditions of employment and should not be construed as contract terms for any city employee. No supervisor or City representative has the authority to enter into any agreement for employment or make an agreement contrary to this policy.
2. Nothing in this policy, or in other City policies which may be communicated, constitutes a contract of employment. Policies serve as an informational guide to help employees become better informed and make their experience with the city more rewarding. Departments may have special work rules deemed necessary by the supervisor and as approved by the City Council for the achievement of objectives of that department. Employees will be given a copy of such work rules by the department upon hiring and such rules will be further explained, and enforcement discussed by the assigned supervisor.
3. Policies are not intended to cover every situation that might arise and can be amended at any time at the discretion of the City Council. As an employee, you are responsible for complying with current city policy at all times.

**Policy**

**1. Scope of Policy**

This policy applies to all employees of the City. Except where specifically noted, these policies do not apply to:

- Elected officials.
- City Attorney
- Members of city boards, commissions, and committees
- Consultants and contractors
- Volunteers

**2. Definitions**

- Employee: A person employed by the City of Vergas, whether on a full (40 hours or more a week) or part-time (32 or less hours per week) basis.
- Seasonal Employee: A person who works only part of the year, 100 days or less, to conduct seasonal work. Seasonal employees do not earn benefits or credit for seniority.
- Temporary Employee: Person who works a temporary job with a defined start and end date or for the duration of a project. This may be on a full-time or part-time schedule. Temporary employees do not earn benefits or credit for seniority.
- Employer: The City of Vergas.

**3. Equal Employment Opportunity (EEO)**

The City of Vergas is committed to providing equal opportunity in all areas of employment, including but not limited to recruitment, hiring, demotion, transfer, selection, lay-off, disciplinary action, termination, compensation, and selection for training. The City of Vergas will not discriminate against any employee or job applicant on the basis of race, color, creed, religion, national origin, ancestry, sex, sexual orientation, gender identity or gender expression, disability, age, marital status, genetic information, status with regard to public assistance, veteran status, familial status or membership on a local human rights commission or lawful participation in the Minnesota Medical Cannabis Patient Registry.

**4. Discrimination**

No person shall be employed, promoted, demoted, or discharged by the City or in any way favored or discriminated against because of political opinions or affiliations, race, color, national origin, religion, sex, marital status, status with regard to public assistance or disability, or because of the exercise of rights under provisions of the Public Employment Labor Relations Act, Minnesota Statutes, Sections 179.61 to 179.76. No person who is between 18 and 70 years of age shall be discriminated against with reference to City employment in any way forbidden by federal law.

5. **Data Practices Advisory**

Employee records are maintained in a secure location designated by the City Clerk. Personnel data is retained in personnel files, finance files, and benefit/medical files. Information is used to administer employee salary and benefit programs, process payroll, complete state and federal reports, and document employee performance.

6. **Drug Free Workplace**

In accordance with Federal Law, the City has adopted the following on drugs/alcohol in the workplace.

- A. Employees are expected and required to report to work on time and in appropriate mental and physical condition. It is the City intent and obligation to provide a drug-free, safe, and secure work environment.
- B. The unlawful manufacture, distribution, possession, or use of a controlled substance on City property or while conducting City business is absolutely prohibited. The use of alcohol while on duty is prohibited. Violations of this policy will result in disciplinary action, up to and including termination and may have legal consequences.
- C. Drug and Alcohol Testing will be conducted as outlined in City policy, Drug and Alcohol Testing for Employees and Applicants.
- D. The City recognizes alcohol/drug abuse as a health, safety, and security problem. Employees needing help are encouraged to use the health insurance plan and assistance programs, as appropriate.
- E. Employees, as a condition of employment, must abide by the terms of this policy and must report any conviction under a criminal drug statute for violations occurring on or off the work premises. A report of a conviction must be made within five (5) days after conviction as required by the Drug-Free Workplace Act of 1988.

**City of Work Rules and Code of Conduct**

In accepting city employment, employees become representatives of the city and are responsible for assisting and serving the citizens for whom they work. Employees should exhibit conduct that is ethical, professional, responsive, and of standards becoming of a city employee. To achieve this goal, employees must adhere to established policies and procedures.

- 1. **Falsification of Records.** No person shall knowingly make any false statement, certificate, mark, rating or report regarding any test, certificate, work hours, or appointment held or made under the City personnel system or in any manner commit or attempt to commit any fraud preventing the impartial execution of the provisions of this policy. Immediate disciplinary action will be taken up to and including termination or potential criminal prosecution dependent on the nature of the fraud.
- 2. **Rendering of Consideration.** No person seeking employment to or promotion in the municipal service shall either directly or indirectly give, render, or pay any money, service or other valuable consideration to any person or on account of or in connection with his test, appointment or promotion, or proposed appointment or promotion.
- 3. **Conflict of Interest.** City employees are to remove themselves from situations in which they would take action or make a decision where that action or decision could be perceived or actual conflict of interest or could result in a personal benefit from themselves or a family member. If an employee has any questions about whether such a conflict exists, he/she should consult their supervisor.

4. **Access and Use of City Property.** Any employee who has authorized possession of keys or other city owned equipment must register his/her name and serial number or identifying information about the equipment with the City Office. City property must be turned in and accounted for by any employee leaving employment with the city to resign in good standing. Employees are responsible for the safekeeping and care of such city keys. The duplication of keys is prohibited unless authorized by the City. Unauthorized duplication of keys will be subject to disciplinary action. Employees will be responsible for the cost to replace lost keys and required lock rekeying. Personal access and use of city buildings after hours is prohibited unless prior approval by the City Council.
5. **Cellular Phone** Use. All employees are expected to follow applicable local, state, federal laws, and regulations regarding cellphones at all times. Use should in no way limit the conduct and completion of work. Regardless of who pays the bill; cellphone records about city business are subject to the Minnesota Government Data Practices Act. Refer to City policy "Use and Maintenance of City Vehicles" regarding cellular phone policy for those employees driving a city vehicle.
6. **Social Media.** What employees write or post is public and reflects on the city. Personal social media account names or email names are not to be tied to the city. Refer to City policy entitled "Social Media".
7. **Smoking.** The City of Vergas observes and supports the Minnesota Clear Indoor Air Act. All city buildings and vehicles, in their entirety, are designated as tobacco free. This means that smoking in any form through the use of tobacco products such as pipes, cigars, cigarettes or vaping with e-cigarettes is prohibited. Employees are allowed to smoke only during breaks and lunch and cannot smoke on city property or in city vehicles.
8. **Weapons.** Possession or use of a dangerous weapon is prohibited on city property, in city vehicles, or in personal vehicles being used for city business. Exceptions to the dangerous weapon prohibition include 1) employees legally in possession of a firearm, for which the employee holds a valid permit as required, and 2) Rodent control by City Utilities Supervisor or Maintenance Operator at the City Lagoon.

### **New Hire Probationary Period**

The City of Vergas is committed to hiring the most qualified applicant into new and vacant positions and adhering to the guidelines established by the US Equal Employment Opportunity Commission on selection and employment. Hiring is conducted as outlined in City of Vergas Policy for Hiring Employees.

1. **The Probational Period** is an integral part of the selection process and is utilized for training and to evaluate the employee's work performance and work results, ensure an effective adjustment by the employee to the position, and for purposes of determining need for termination when the employee's performance does not meet required work standards.
2. **Duration.** Every original appointment and every promotional appointment are subject to a probationary period of up to a year. At three months a progress review is held to determine to evaluate performance or whether a performance improvement plan or additional training may be needed.
3. **Termination.** The City Council may terminate a probationary employee at any time during the probationary period if in the Councils opinion, based upon work observation & review, indicates the employee is unable or unwilling to perform the duties of the position satisfactorily or that work habits and dependability do not merit continuance in the position.

### **Performance Review**

1. An objective performance review will be conducted within 30 days before or after the

employee anniversary dated, based on the assigned performance evaluation standards. Performance reviews are discussed with the employee and the employee is given an opportunity to provide a self- assessment utilizing the provided self- assessment form.

2. The quality of an employee's performance will be considered in personnel actions and salary adjustments.
3. Certain components of a performance evaluation, such as disputed facts replied to be incomplete or inaccurate, are challenging using the city's grievance process. Subjective assessments are not challenging. For those parts an employee may submit a written response that will be attached to the performance review.
4. Signing of the performance review acknowledges the review has been discussed with the assigned supervisor and does not necessarily constitute agreement. Failure to sign the document by the employee will not delay processing.

### **Compensation**

I. **Monetary:**

- A. An employee of the City shall be paid according to the employee's designated position and assigned step on a ten step pay scale. Each step shall provide a specific hourly rate to be paid to the employee assigned to that step.
- B. An annual pay table adjustment will be conducted according to annual League of Minnesota Cities annual pay data. Pay table adjustments are reviewed and recommended by the Personnel Committee and approved by the City Council.
- C. A step increase is provided every 3 years of service if the employee has a satisfactory or higher rating. A step increase can be recommended prior to the 3-year period based on high satisfactory or exceptional performance as recommended by Personnel Committee and approved by the City Council.
- D. Unless approved by the City Council, no employee shall receive pay from the City in addition to the salary authorized for the position to which he/she has been appointed.
- E. Pay tables will be established annually, for new positions at time of a position vacancy, when experiencing significant turnover or when critical positions are not getting filled or are delayed in getting filled. Pay tables are reviewed and approved by the City Council.
- F. Compensation for seasonal and temporary employees is set by the City Council at time of hire.
- G. Work hours between 12 am to 6 am are paid a 15% higher differential pay rate above the employees' base regular pay. Nighttime hours are as approved by a council member serving on the Personnel Committee.

2. **Holidays:**

The City observes the following official holidays for full-time and part-time employees.

New Years Day	Labor Day
Martine Luther King Jr. Day	Indigenous People's Day (Columbus Day)
Washington's Birthday	Veterans Day
Memorial Day	Thanksgiving Day
Juneteenth	Christmas Day
Independence Day	

- A. When a holiday falls on a Sunday, the following Monday will be the "observed holiday" and

when Holiday falls on Saturday, the preceding Friday will be the "observed holiday" for city operations, which will be closed on holidays.

- B. Regular, full-time employees will receive regular hourly rate of pay observed holiday days which they are not required to work:
- C. Employees required to work on the "actual" holiday, the pay will be 1.5 times the hourly wage.

**3. Overtime:**

- A. Employees shall be compensated for overtime rates at one and one-half (1.5) the regular rate of pay. Overtime will be calculated to the nearest 15 minutes. The established work week is Monday morning from 12:00 a.m. to Sunday evening at 11:59 p.m., or such other seven-day period as may be designated from time to time by the City.

**4. Compensatory Time**

- A. Overtime hours shall be compensated for in the form of compensatory time off at the discretion of the employer. Compensatory time for overtime worked will be time and a half. The method of compensation will be determined from time to time by the City Council.
- B. No employee shall accumulate more than 48 hours of unused compensatory time in a work week. Compensatory time accrued above 48 hours will entail the employee choosing compensatory time or overtime by marking their time sheet. There is a compensatory time accrual limit of 160 hours.
- C. In December of each year all employees carrying a compensatory time balance shall be paid in full for said balance at the employee's hourly pay rate at the time payment is made.
- D. The payment shall accompany or be added to the payroll check for the second to last pay period of the calendar year, less normal payroll deductions. All efforts are made to support the use of compensatory time prior to the end of the year.
- E. Employees may request and use compensatory time off in the same manner as other leave requests. All compensatory time will be marked as such on official timesheets, both when it is earned and when it is used. The City Clerk/Treasurer will maintain compensatory time records. All compensatory time accrued will be paid when the employee leaves city employment at the hourly pay rate the employee is earning at that time.

- 1. **Payday:** Employees are paid bi-weekly on alternate Wednesdays. Bi-weekly pay periods are designated by the City and begin on a Monday and end on the second Sunday after such Monday. Work shifts that begin on a Sunday are treated as entirely worked on that Sunday, even though a portion of that shift may actually be worked on Monday. When a pay day falls on a holiday, employees shall receive their pay the preceding Tuesday. An employee shall turn in his or her time sheet for a bi-weekly pay period on or before the Monday upon which the bi-weekly pay period ends.
- 2. **Work Hours:** Work schedules are established for each pay period and posted in the City Office. Work schedules are devised to communicate work hours and availability of city personnel to ensure good customer service and effective work coverage to minimize the use of overtime and compensatory time.
- 3. **Time Clock and Time Sheets:** All employees are required to utilize the city time clocks to document time worked. The breakdown of time into the established cost categories is manually recorded. Half hour lunch is not paid work time and requires checking out on the time clock and checking back in at completion of lunch. To work through lunch requires approval by the Personnel Committee. Falsifying of time sheets by an employee shall be the cause for the immediate dismissal of that employee from City employment. Final time sheets are signed by the employee confirming

correct with verification and attestation by their next level supervisor, human resources (City Clerk-Treasurer) or Personnel Committee.

4. **Compensatory Time of Officers and Employees (MN Stat. 30.09):** Members of the Vergas-CDH Fire and Rescue Department who are employees of the city may respond to calls or when paged during their regular work schedule. When an employee (who is also a Vergas-CDH Firefighter or First Responder) responds to a call or page when they are engaged in city compensated employment, will be paid for that time period, based upon their hourly rate or a pro-rated portion of their non-hourly flat rate compensation. They must note on their bi-weekly time sheet the time they were away from the worksite or provide other acceptable written evidence of the time spent away from city employment.

### **Attendance and Leave**

The operations and standards of services in the City of Vergas require that employees be at work unless valid reasons warrant absence, or an employee has a position approved to work remotely. Employees who are going to be absent from work are required to notify their supervisor or the City Office as soon as possible in advance of the absence. (15-126 days leave coverage and operations policy).

1. **Paid Time Off (PTO)** After six (6) months of service (part time or full time), PTO leave may be used as it is earned, subject to approval by assigned supervisor. Temporary, seasonal, and part-time employees are not entitled to get holidays with pay. It is the policy of the City of Vergas to grant PTO to regular employees in accordance with the guidelines established below:
  - A. An employee's anniversary date and years of service will be used to determine an employee's eligibility for vacation/paid time off. Regular full-time employees will accrue as follows:

Accrued PTO will be added to the employee's leave balance each pay period. 1-5 years	2 hours/week (104 hours/year)
6-14 years *employees prior to Oct 2019 will maintain 3.08 annual leave accrual.	3 hours/week (156 hours/year)
15 years and over	4 hours/week (208hrs/year)

- B. PTO hours are not accrued during unpaid leaves.
  - C. Should an employee reach the accrued maximum of 200 hours, a plan for leave usage is to be devised and approved by the City Council.
  - D. The City of Vergas will pay employees for all accrued PTO upon resignation or retirement for those leaving in good standing.
  - E. PTO requests where there are no PTO hours accrued will be at the discretion and approval of supervisor. Should time and attendance become an issue, the employee may be subject to disciplinary actions.
  - F. Accrued PTO may be as Earned Sick and Safe Time (ESST).
2. **Earned Sick and Safe Time (ESST) (MN Statute 181.9445, 181.9447, 181.9448)**

- A. ESST is paid time off and applies to all employees (including full-time, part-time, temporary and seasonal) if performing work for at least 80 hours per year. ESST leave accrues at a rate of one hour for every 30 hours worked, including overtime hours, and can earn a maximum of 48 hours each calendar year.

- B. Employees holding positions performing work for less than 80 hours per calendar year do not qualify for ESST.
- C. Refer to APPENDIX regarding use of ESST

### **3. Non-Accrued Paid Time Off**

**Eligibility:** An employee may elect to receive up to 64 hours of non-accrued paid time off if the employee cannot work due to a health-related disability and when the employee does not have sufficient accrued paid time off to provide benefits during the term of the employee's health related absence from work. An employee may elect to receive by submitting a written request to their supervisor on the application form provided for such purpose. A treating provider's written confirmation of employee's health related restriction from work must accompany this application.

#### **Reimbursement.**

- A. All Non-Accrued paid time off wages and benefits must be reimbursed to the City within twelve (12) months of the date of the last pay period in which the Employee receives non-Accrued paid time off wages and benefits. The method of reimbursement shall be agreed upon between the City and the employee. The City retains the sole authority to determine what hours, if any, may be accrued as compensatory time.
- B. At the employee's election, reimbursement may be from employee's subsequently accrued paid time off.
- C. at a rate not less than 50% of the employee's accrued paid time off wages and benefits per pay period or from accrued compensatory time or by direct payment of the value of all wages and benefits provided.

### **4. Light Duty/Modified Work Assignment**

- A. Light duty is evaluated by the City Council on a case-by-case basis. Temporary assignment of work will be evaluated for temporarily disabled employees who are medically unable to perform their regular work duties. Such assignments are for short-term, temporary disability-type purposes. The City Council will determine when and if light duty work will be assigned. This policy does not guarantee assignment of light duty. When an employee is unable to perform the essential requirements of his/her job due to temporary disability, he/she must notify their supervisor in writing as to the nature and extent of the disability and the reason why he/she is unable to perform the essential functions, duties, and requirements of the position. This notice must be accompanied by a physician's report containing a diagnosis, current treatment, and any work restrictions related to the temporary disability. The notice must include the expected time frame regarding return to work with no restrictions, meeting all essential requirements and functions of the assigned job description, along with a written request for light duty.
- B. Upon receipt of the written request, the supervisor will forward a copy of the report to the City Council.
- C. The City may require additional medical information or exam.
- D. The circumstances of each disabled employee performing light duty work will be reviewed at regular intervals. Any light duty/modified work assignment may be discontinued at any time.
- E. If a light duty assignment is offered to an employee who is out on workers' compensation leave, the employee may be subject to penalties if he/she refuses such work. The City will not, however, require an employee who is otherwise qualified for protection under the Family and Medical Leave Act (FMLA) to accept a light duty assignment.

**5. Employee Health Conditions Relating to Pregnancy**

- A. The city will attempt to provide a female employee who requests reasonable accommodation with the following health conditions related to pregnancy or childbirth.
  - More frequent restroom, food and water breaks.
  - Seating.
  - Limits on lifting over 20 pounds; and/or
  - Temporary transfer to a less strenuous or hazardous position, should one be available.
- B. Unless such accommodations impose an undue hardship on the city, the city will engage in an interactive process with respect to an employee's request for reasonable accommodation.

**Leave Without Pay**

**I. Pregnancy and Parental Leave (MN Stat. 181.940-181.944)**

- A. Eligible employees who are biological or adoptive parent will be provided an unpaid leave of absence of up to twelve (12) weeks for the birth or adoption of a child, (as defined in MN Stat. 181.940 Subd. 4), or for the placement of a child in foster care. Leave may begin at the time designated by the employee but must start within twelve (12) months of the date of the birth, adoption, or placement of the child and be completed within that year. However, if the child remains in the hospital longer than the mother, leave commences at the time the child leaves the hospital.
- B. An employee shall provide at least 30 days' notice of the date leave is to commence and its expected duration. If leave is longer than 1 month the employee shall provide at least 2 weeks' notice of the employee's expected return date.
- C. An eligible employee is one who has completed twelve (12) months of fulltime employment immediately preceding the requested leave date and who has worked an average number of hours each week that is at least equal to one-half the fulltime equivalent position in the employee's job classification.
- D. An employee may choose to use paid time off (PTO) during the parental leave of absence. This leave will not extend beyond the 12-week leave period. All other time will be unpaid. However, the employee's benefits will continue as if the employee were still at work. No PTO benefits shall accrue during a leave of absence without pay.
- E. An employee failing to return to work as scheduled after completion of an approved leave will be considered to have voluntarily terminated employment with the City of Vergas.
  - 1. If an employee needs to request a longer leave of absence the employee may do so under the city's General Leave without Pay Policy.

**2. General Leave without Pay**

The City Council may grant any permanent employee a leave of absence without pay for a period not to exceed 90 days except that it may extend such leaves to a maximum of one year in case the employee is disabled or where extraordinary circumstances, in its judgment, warrant such extension. No PTO benefits shall accrue during a leave of absence without pay.

**3. Leave for School Conferences and Activities (Mn Stat. 181.9412)**

Employees with children receiving childcare services or attending a prekindergarten, regular or special education program or attending elementary through high school may take up to 16 hours of leave each 12-month period for school conferences and activities each year provided the conferences or activities cannot be scheduled during nonwork hours. The employee must request leave at least 1 week in advance of the scheduled leave date. All school conference and activity leave covered by this section is unpaid. However, employees

may use accrued PTO in place of unpaid leave.

#### **4. Military Leave**

- A. State and Federal laws provide protection and benefits to city employees who are called to military service, whether in the reserves or on active duty. Such employees are entitled to a leave of absence without loss of pay, seniority status, efficiency rating, or benefits for the time the employee is engaged in training or active service not exceeding a total of 15 days in any calendar years.
- B. The leave of absence is only in the event the employee returns to employment with the city as required upon being relieved from service or is prevented from returning by physical or mental disability or other cause not the fault of the employee or is required by the proper authority to continue in military or service beyond the 15-day paid leave of absence.
- C. Employees on extended unpaid military leave will receive 15 days paid leave of absence in each calendar year, not to exceed 5 years.

#### **5. Family Medical Leave**

- A. Basic Leave Entitlement FMLA requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to eligible employees for the following reasons:
- B. Incapacity due to pregnancy, prenatal medical care or childbirth; • to care for the employee's child after birth, or placement for adoption or foster care; •
  - 1. to care for the employee's spouse, son, daughter or parent, who has a serious health condition; or •
  - 2. for a serious health condition that makes the employee unable to perform the employee's job.
  - 3. Military Family Leave Entitlements Eligible employees whose spouse, son, daughter or parent is on covered active duty or call to covered active-duty status may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.
- C. A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job or prevents the qualified family member from participating in school or other daily activities.
  - 1. Employees are eligible if they have worked for the City of Vergas. for at least 12 months and have 1,250 hours of service in the previous 12 months.
  - 2. Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When a 30-day notice is not possible, the employee must provide notice as soon as practicable and generally must comply with an employer's normal call-in procedures.
  - 3. The City of Vergas will inform employees requesting leave whether eligible under FMLA. If eligible, the notice must specify any additional information required as well as the employees' rights and responsibilities. If not eligible, the employee will be provided with a reason for the ineligibility.

**6. Minnesota Paid Leave Policy**  
**Overview**

The city provides time off to eligible employees who qualify for Minnesota Paid Leave (MNPL) benefits under Minnesota law. Minnesota State Statute 181.032 The City of Vergas is a participant in the State of Minnesota's Paid Leave program. MNPL benefits are funded through premium contributions payable to the State of Minnesota or designated insurance company approved by the State of Minnesota. The premium cost will be split between the city and employee as follows:

- A. The City of Vergas will pay 50% of the required premium, and
- B. Employees will pay 50% of the premium cost through payroll deductions starting January 1, 2026.

**1. Eligibility**

Eligibility determinations for MNPL benefits are made by the State of Minnesota. Generally, to be eligible for MNPL, you must:

- A. Work at least 50% of the time from a location in Minnesota, including employees who work from home or spend time in other states occasionally.
- B. Meet the financial eligibility requirements by having earned over a specific amount of wages as defined by Minnesota law at the time of your requested leave.

**2. Benefit Amount**

An employee's weekly MNPL benefits are calculated and determined by the Minnesota Department of Employment and Economic Development (DEED).

**Jury or Witness Duty**

When an employee performs jury duty or is subpoenaed as a witness in court or voluntarily serves as a witness in a case in which the City is a party, the employee is entitled to compensation from the City equal to the difference between his regular pay and the amount received as a juror or witness.

**Meal Breaks and Rest Periods**

A paid fifteen (15) minute break is allowed for each four (4) consecutive hours of work. An unpaid thirty (30) minute lunch is provided when an employee works eight (8) or more consecutive hours. Employees are expected to use these breaks as intended and will not be permitted to adjust work start time end time by saving the breaks and applying to scheduled work shift.

**Resignation**

Any employee wishing to leave municipal service in good standing shall file with the City Council at least 14 days before leaving, provide a written resignation stating the effective date of the resignation and the reason for leaving. Failure to comply with this procedure may be considered

cause for denying the employee future employment by the City. Unauthorized absence from work for a period of three working days may be considered by the City Council as a resignation without such benefits.

### **Lay-off**

After at least two weeks' notice to the employee, the City Council may lay off any employee whenever such action is necessary because of shortage of work or funds, the abolition of a position, or changes in organization. No permanent or probationary employee shall be laid off while there is a temporary employee serving in the same class of position for which the permanent or probationary employee is qualified, eligible and available.

### **Grievance**

It is the policy of the City to prevent the occurrence of grievances and to deal promptly to resolve disputes at the time of occurrence. If the employee deems the dispute issue unresolved, it will be settled in the following manner.

**Step 1:** The employee must present the grievance in writing, stating the nature of the grievance, date occurred, facts on which it is based, and the provision(s) of personnel policy allegedly violated, and remedy requested. The grievance is to be filed to the supervisor within twenty-one (21) days after the alleged violation or dispute. The supervisor will respond to the employee in writing within seven (7) calendar days.

**Step 2:** If the grievance has not been resolved in accordance with Step 1, it must be presented in writing, stating the nature of grievance, date at which the incident allegedly occurred, the facts on which is based, provision(s) of the Personnel Policy allegedly violated, and the remedy requested by the employee to the next level supervisor. If there is no next level supervisor, the grievance is to be submitted to the Personnel Committee. The next level supervisor or Personnel Committee will respond to the employee within seven (7) calendar days. The decision at this level is final, except for those specific components is performance evaluation subject to challenge through the Minnesota Department of Administration.

### **Discipline**

Employees will be subject to disciplinary action for failure to fulfill their duties and responsibilities at the level required, including compliance of work rules, city policies and standards of conduct. Discipline will be administered in a non-discriminatory manner. There will be an investigation into any allegation of which disciplinary action might be based before any disciplinary action is taken. If an employee believes the discipline applied is either unjust or disproportionate to the offense, may pursue a remedy through city grievance procedures.

1. **Forms of Discipline**, Discipline will be in one or more of the following forms.

- A. oral reprimand.
- B. written reprimand.
- C. suspension with or without pay.
- D. Termination

2. **Notices**, Notices of suspension, demotions and termination will be in written form and will state the reasons for the action taken. The employee shall be provided with a copy of such notice.

3. **Written Records** Written reprimands, notices of suspension, and notices of termination which are to become part of an employee's personnel file and shall be read and acknowledged by signature of the employee. The employee will receive a copy of such reprimands and/or notices.

4. **Examination.** Employees may examine their own individual personnel files at reasonable times under the direct supervision of the City Clerk/Treasurer.
5. **Other Disciplinary Action** The following other disciplinary actions may be taken after the foregoing steps have been followed:
  - A. Involuntary demotion. This step shall be taken only if the employee does not have the ability to function at a higher level.
  - B. Withholding a salary increase or decreasing the employee's salary. The employee shall be notified in writing of the action and the reasons. A copy of the notice shall be placed in the employee's file.
  - C. Required completion of specific disciplinary or corrective action by the employee.
6. **Hearing.** In any case of disciplinary action, the employee shall be granted a hearing before the City Council if the employee submits a written request for such a hearing to the Council within five working days of notification of the action taken. The hearing shall be held within ten working days from the date the request is filed unless the City and the employee agree on an earlier or later date. If the disciplinary action involves the removal of a veteran, the hearing shall be held in accordance with Minnesota Statutes, Section 197.46.

### **Insurance**

1. **Employer Contribution.** The City will pay 100 percent of employee coverage and employees will pay for dependents coverage. In addition, the City will pay 100 percent of life and disability insurance premiums at current benefit levels. The contribution terms and conditions set forth in this subdivision regarding insurance benefits may be changed by resolution of the City Council.
2. **Part-Time Employees.** The City does not provide a city contribution for health/hospital insurance for any part-time city employees. However, part-time employees who work over 30 hours a week may purchase at their own expense such insurance coverage as may be available from time to time for part-time employees through the City's group insurance carriers. This right to purchase such insurance is subject to any availability restrictions or other limitations imposed by said group insurance carriers.
3. **Single Coverage.** Employees not choosing dependent coverage cannot be covered at City expense for any additional insurance, nor will they receive a cash payment for the difference between the cost of single coverage and the maximum monthly dollar cost paid by the City.
4. **Additional Coverage.** Under the group insurance program, an employee may purchase additional health, disability and life insurance for the employee and the employee's dependents provided that the employee pays the full cost of such additional coverage.

### **Retirement**

The city participates in the Public Employees Retirement Association (PERA) to provide pension benefits for eligible employees, per Minnesota statute based on pay or hours worked, to help plan for a successful and secure retirement. Participation is mandatory for most employees, and contributions into PERA begins immediately on employment. The city and employees contribute to PERA each pay period as determined by state law. Most employees are also required to contribute a portion of each paycheck for Social Security and Medicare. The city matches the employee's Social Security and Medicare withholding.

### **Safety**

The health and safety of each employee of the city and the prevention of occupational injuries and illnesses are of primary importance to the City of Vergas. To the greatest extent possible, an environment free from unnecessary hazards and established policies and procedures will be in place.

1. **Exposure to Hazardous Substances.** Any employee routinely exposed to hazardous substances or harmful physical agents as defined in the Minnesota Employee Right to Know Act of 1983 shall be trained before being assigned or reassigned work exposing him or her to such substances or agents and shall be given training annually thereafter. Training shall include an explanation of how and where information about hazards is stored in the workplace, how the hazards are labeled, and where to obtain specific information. An employee acting in good faith has the right to refuse to work under conditions which the employee reasonably believes presents imminent danger or serious physical harm to the employee.
2. **Safety Equipment/Gear.** Where safety equipment is required by federal, state or local rules and regulations, it is a condition of employment that such equipment be used or worn by the employee.
3. **Reporting of Accidents and Illness.** Minnesota workers' compensation laws and state and federal Occupational Safety and Health Acts require all job-related injuries or illnesses be reported as soon as possible to the supervisor. The supervisor, in collaboration with the employee, will complete a First Report of injury and other forms necessary related to the injury or illness on the job and evaluate for workplace improvement needs.
4. **Unsafe Behavior.** Supervisors are authorized to take immediate action, including sending employee home, when employee's behavior violates city personnel policies, department policies and creates a potential health or safety risk for employee or others.
5. **Near Miss Event** is important to report near miss events, which is an unplanned event that did not result in injury, illness, or damage, but had the potential to do so. This provides an opportunity to address before there is harm.
6. **Accident/Incident Report.** The city accident/incident report form is to be completed for accidents and near miss events and submitted to the City Clerk within 12 hours of the accident/incident.

### **Education and Training**

The City of Vergas promotes staff development as an essential and ongoing function needed to maintain and improve cost effective quality service to residents. The purposes for staff development are to ensure the employees develop and maintain knowledge and skills necessary for effective job performance.

1. The City will pay the costs of employee participation in training and job-related meetings provided the attendance is approved in advance by supervisor or City Council and meets the criteria of job-relatedness.
2. Payment information, as invoices and billing statements, are to be forwarded for prompt payment.
3. Attendance at professional meetings not directly related to employee work responsibilities requires supervisor approval to ensure adequate department work coverage.

### **Media Request**

With the exception of routine events and basic information readily available to the public, all requests for interviews or information from the media are to be routed through the City Office. No city employee is authorized to speak on behalf of the city without prior authorization from a City Official. Media requests include anything intended to be

published or viewable to others in some form, such as television, radio, newspaper, newsletters, social media postings or websites.

When responding to media requests, employees should follow these steps:

- 1) If the request is for routine or public information (such as meeting time or agenda) provide the information and notify the City Office of the request.
- 2) If the request is regarding information about city personnel, potential litigation, controversial issues, an opinion on a city matter, or if an employee is unsure if the request is a "routine" question, forward the request to the City Office.
- 3) All news releases concerning the city and city personnel is the responsibility of the City Clerk

### **Whistle Blower**

An employee of the City who, in good faith, reports an activity that he/she considers illegal or dishonest to one or more parties may have whistleblower protections. The whistleblower is not responsible for investigating the activity or for determining fault or corrective measures; appropriate City Management Officials are charged with these responsibilities.

Examples of illegal or dishonest activities include violations of federal, state, or local laws, billing services not performed or goods not delivered and other fraudulent reporting.

- a. If an employee has knowledge of a concern of illegal or dishonest fraudulent activity, the employee is to contact their assigned supervisor. If the City Council has the assigned supervision, contact the Personnel Committee.
- b. The employee must exercise sound judgment to avoid baseless allegations. An employee who intentionally files a false report of wrongdoing may be subject to disciplinary actions.
- c. It is the city's legal responsibility to protect employees who make a complaint. Whistleblower protections are provided in two important ways: confidentiality and protection from retaliation, consistent with the Minnesota Data Practices.

Adopted on this 17th day of February 2026 by the City Council of the City of Vergas.

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Julie Bruhn, Mayor

ATTEST:

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Julie Lammers, City Clerk/Treasurer  
Approved: 1-01-2012 Updated:  
02-09-2016  
10-08-2019  
02-08-2022  
02-15-2023  
01-09-2024

01/30/2025  
02/17/2026 Proposed

## **APPENDIX A: Earned Sick and Safe Time (ESST)**

### **Earned Sick and Safe Leave**

"Earned Sick and Safe Leave" is paid time off and applies to all employees (including full-time employees, part-time employees, temporary employees and seasonal employees performing work for at least 80 hours in a calendar year for the city.

#### **(a) Accrual of Earned Sick and Safe Leave**

1. Part-time, temporary, and seasonal employees scheduled to work at least 80 hours per calendar year will accrue Earned Sick and Safe Leave at a rate of one hour for every 30 hours worked, including overtime hours, and can earn a maximum of 48 hours each calendar year.
2. For employees holding multiple positions performing work for at least 80 hours per calendar year all hours worked will contribute to Earned Sick and Safe time accrual up to the maximum of 48 hours each calendar year. Accrual is not based on separate positions. Accrued Earned Sick and Safe time may be used for all positions held by an employee.
3. Employees performing work for less than 80 hours per calendar year do not qualify for Earned Sick and Safe Leave.
4. Per the Minnesota Department of Labor and Industry elected officials are not considered employees and are exempt from Earned Sick and Safe Leave.
5. Once an employee performs work for more than 80 hours per calendar year, the employee's eligibility threshold is met. Once the eligibility threshold is met, the accrual calculation includes all hours worked back to the first hour worked for the employer. Once the eligibility threshold is met, the employee will accrue one hour for every thirty hours worked moving forward, in compliance with the Carry Over and Pay Out requirements below, even if the employee does not meet the threshold of 80 hours in subsequent calendar years.

#### **(b) Earned Sick and Safe Leave Use**

The leave may be used as it is accrued in the smallest increment of time tracked by the city's payroll system (.25 hours) as described below, for the following circumstances:

- An employee's own:
  1. Mental or physical illness, injury or other health condition
  2. Need for medical diagnosis, care or treatment, of a mental or physical illness
  3. injury or health condition
  4. Need for preventative care
  5. Closure of the employee's place of business due to weather or other public emergency
  6. The employee's inability to work or telework because the employee is prohibited from working by the city due to health concerns related to the potential transmission of a communicable illness related to a public emergency, or seeking or awaiting the results of a diagnostic test for, or a medical diagnosis of, a communicable disease related to a public emergency and the employee has been exposed to a communicable disease or the city has requested a test or diagnosis.
  7. Absence due to domestic abuse, sexual assault, or stalking of the employee provided the absence is to:
    - a. Seek medical attention related to physical or psychological injury or disability caused by domestic abuse, sexual assault, or stalking
    - b. Obtain services from a victim services organization
    - c. Obtain psychological or other counseling
    - d. Seek relocation or take steps to secure an existing home due to domestic abuse, sexual assault or stalking

- e. Seek legal advice or take legal action, including preparing for or participating in any civil or criminal legal proceeding related to or resulting from domestic abuse, sexual assault, or stalking
- 8. Care of a family member:
  - a. With mental or physical illness, injury or other health condition:
    - 1. Who needs medical diagnosis, care or treatment of a mental or physical illness, injury or other health condition
    - 2. Who needs preventative medical or health care
    - 3. Whose school or place of care has been closed due to weather or other public emergency
    - 4. When it has been determined by health authority or a health care professional that the presence of the family member of the employee in the community would jeopardize the health of others because of the exposure of the family member of the employee to a communicable disease, whether or not the family member has actually contracted the communicable disease-
  - b. Absence due to domestic abuse, sexual assault or stalking of the employee's family member provided the absence is to:
    - 1. Seek medical attention related to physical or psychological injury or disability caused by domestic abuse, sexual assault, or stalking
    - 2. Obtain services from a victim services organization
  - 3. Obtain psychological or other counseling
    - 1. Seek relocation or take steps to secure an existing home due to domestic abuse, sexual assault or stalking
      - 1. legal advice or take legal action, including preparing for or participating in any civil or criminal legal proceeding related to or resulting from domestic abuse, sexual assault, or stalking

**(c) For Earned Sick and Safe Leave purposes, family member includes an employee's:**

- 1. Spouse or registered domestic partner
- 2. Child, foster child, adult child, legal ward, child for whom the employee is legal guardian, or child to whom the employee stands or stood in loco parentis
- 3. Sibling, step sibling or foster sibling
- 4. Biological, adoptive or foster parent, stepparent or a person who stood in loco parentis when the employee was a minor child
- 5. Grandchild, foster grandchild or step grandchild
- 6. Grandparent or step grandparent
- 7. A child of a sibling of the employee
- 8. A sibling of the parent of the employee or
- 9. A child-in-law or sibling-in-law
- 10. Any of the above family members of a spouse or registered domestic partner
- 11. Any other individual related by blood or whose close association with the employee is the equivalent of a family relationship
- 12. Up to one individual annually designated by the employee

**(d) Advance Notice for use of Earned Sick and Safe Leave**

If the need for sick and safe leave is foreseeable, the city requires seven days' advance notice. However, if the need is unforeseeable, employees must provide notice of the need for Earned Sick and Safe time as soon as practicable. When an employee uses Earned Sick and Safe time for more than three consecutive days, the city may require appropriate supporting documentation (such as medical documentation supporting medical leave, court records or related documentation to support safety leave). However, if the employee or an

employee's family member did not receive services from a health care professional, or if documentation cannot be obtained from a health care professional in a reasonable time or without added expense, then reasonable documentation may include a written statement from the employee indicating that the employee is using, or used, Earned Sick and Safe Leave for a qualifying purpose. The city will not require an employee to disclose details related to domestic abuse, sexual assault, or stalking or the details of the employee's or the employee's family member's medical condition. In accordance with state law, the city will not require

employee using Earned Sick and Safe Leave to find a replacement worker to cover the hours the employee will be absent.

**(e) Carry Over and Pay Out of Earned Sick and Safe Leave**

Part-time employees working less than 20 hours per week, part-time salaried employees, temporary employees, seasonal employees, may carryover unused Earned Sick and Safe time into the next calendar year, but at no time may the accrued Earned Sick and Safe time exceed 80 hours. Accrued Earned Sick and Safe time will not be paid out when an employee leaves their job, either voluntarily or involuntarily. Employee who transfers positions retains their accrued Earned Sick and Safe time. An employee who returns to work for the same employer within 180 days of separation is entitled to the Earned Sick and Safe time accrued before leaving.

**(f) Retaliation prohibited**

The city shall not discharge, discipline, penalize, interfere with, or otherwise retaliate or discriminate against an employee for asserting Earned Sick and Safe Leave rights, requesting an Earned Sick and Safe Leave absence, or pursuing remedies. Further, use of Earned Sick and Safe Leave will not be factored into any attendance point system the city may use. Additionally, it is unlawful to report or threaten to report a person or a family member's immigration status for exercising a right under Earned Sick and Safe Leave.

**(g) Benefits and return to work protections**

During an employee's use of Earned Sick and Safe Leave, an employee will continue to receive the city's employer insurance contribution as if they were working, and the employee will be responsible for any share of their insurance premiums.

An employee returning from time off using accrued Earned Sick and Safe Leave is entitled to return to their city employment at the same rate of pay received when their leave began, plus any automatic pay adjustments that may have occurred during the employee's time off. Seniority during Earned Sick and Safe Leave absences will continue to accrue as if the employee has been continually employed.

When there is a separation from employment with the city and the employee, including a seasonal employee, is rehired again within 180 days of separation, previously accrued Earned Sick and Safe Leave that had not been used will be reinstated. An employee is entitled to use and accrue Earned Sick and Safe Leave at the commencement of employment.

**Leave Entitlement and Usage – APPENDIX B** (15-126 days leave coverage and operations policy).

The State of Minnesota may approve MNPL leave for the following conditions in a benefit year:

1. Up to 12 weeks of medical leave to take care of self for a serious health condition, including pregnancy, childbirth, recovery, or surgery.
2. Up to 12 weeks of family leave to:
3. Bond with a child through birth, adoption, or foster placement
4. Care for a family member with a serious health condition
5. Support a military family member called to active duty
6. Receive covered types of care for yourself or a family member because of domestic abuse, sexual assault, or stalking

The employee can take both types of leave in the same year but cannot exceed 20 weeks total within a single benefit year. For example, an employee may be entitled to 12 weeks of family leave to bond with a child and another 8 weeks of medical leave for their serious health condition. The benefit year starts the first day the employee takes Paid Leave. There is no waiting period for MNPL if granted the benefit.

**MNPL Intermittent Leave**

Employees may apply for intermittent leave in most cases, provided the leave is reasonable and appropriate to the needs of the individual requiring care.

**A. Eligibility**

In addition to the other eligibility requirements under the MN Paid Leave law, employees seeking intermittent leave must have at least eight hours of accumulated leave (unless more than 30 days have lapsed since taking the initial leave).

**B. Notice**

In situations where employees seek MNPL on an intermittent basis, employees must make a reasonable effort to provide written notice to the Clerk-Treasurer of the need for intermittent leave *before* applying for MNPL benefits through the State program. As part of the notice, employees must provide the city with the following:

1. Proposed intermittent leave schedule; and
2. A completed certification from a health care provider identifying the leave as necessary and a reasonable estimate of the frequency and duration, and treatment schedule for the leave.

**C. Increments of Leave & Maximum Number of Hours**

Consistent with other forms of leave provided by the city, employees may take intermittent leave in increments of four (4) hours. If eligible for intermittent leave, the city allows a maximum of 480 hours of intermittent leave in any 12-month period. After reaching the maximum amount of allowed intermittent leave, employees may request continuous MNPL, provided the continuous leave does not exceed the maximum amount of MNPL allowed by law.

**Definitions**

1. Family member includes:
2. Spouse or partner
3. Child (including biological, adopted, step, or foster children, or a child you raise, even if you are not legally related)
4. Parent or person who raised you
5. Sibling
6. Grandchild or grandparent

7. In-laws (including son, daughter, father, or mother)
8. Anyone close to you who depends on you like family, even if not related by blood
  - A **serious health condition** means a physical or mental illness, injury, impairment, condition, or substance use disorder. Taking care of self for a serious condition may involve evaluation, treatment, inpatient care, recovery, or not being able to perform regular work, attend school, or do regular daily activities. This includes childbirth, conditions related to pregnancy, or surgery.

### **Notice**

Prior to starting a claim with the State, employees should reach out to the Clerk-Treasurer to notify the City of regarding intention to take leave. If the need is foreseeable, the employee is asked to provide at least two weeks' notice prior to taking leave. If the leave is not foreseeable, will still be able to take leave under MNPL, and ask the employee provide as much notice as possible. Employees are required to complete a City MNPL Form informing the City of their intent to take MNPL, which will provide documentation as to how an employee's share of the cost of their elected benefits (medical, dental, vision, etc.) will be paid by the employee

### **How to Apply for Minnesota Paid Leave**

After leave has been discussed with the City and all appropriate City forms have been completed, the employee may apply for MNPL through the Minnesota Paid Leave's portal online or via their phone number provided. <https://mn.gov/deed/paidleave/employees/faq/>

### **Interaction with Other Laws and Benefits**

MNPL will run concurrently with any leave and/or wage supplement for which the employee may be eligible for under local, state, or federal law, which may include: Family and Medical Leave Act (FMLA)

The city offers a short-term disability (STD) policy that may run concurrently and require its own filing requirement pursuant to the terms of the STD policy. Please see the Clerk-Treasurer for more information. STD payments may be reduced, pursuant to the terms of the STD policy, as a result of receiving state-paid benefits.

### **Effect on other paid leave**

Employees cannot receive MNPL while also receiving some other types of benefits. These include:

1. Unemployment Insurance Payments
2. Workers' Compensation (in most circumstances)
3. If an employee receives workers' compensation benefits that are equal to or greater than the MNPL benefit, that employee is not eligible for MNPL.
4. If workers' compensation benefits are less than MNPL benefits, then the MNPL benefits will be deducted by the amount the employee receives from workers' comp.
5. Social Security Disability Insurance (SSDI) benefits (in most circumstances)
6. Employees who have filed or received SSDI benefits are ineligible to receive MNPL benefits unless the Social Security Administration approved; they could collect SSDI while also being employed during the base period.

Questions related to this section should be directed to the Department of Employment and Economic Development, Minnesota Paid Family Medical Leave at [mn.gov/DEED](https://mn.gov/DEED) or 651-556-7777.

### **Supplementing MNPL Benefits with Accrued Paid Leave**

If you are receiving MNPL benefits, the city allows the employee to supplement, or "top off," of MNPL benefits with any accrued but unused paid leave. If the employee chooses to supplement your MNPL benefits in this way, the combined weekly sum of MNPL benefits and city-provided paid leave benefits

cannot exceed the Individual Average Weekly Wage (IAWW). For more information, contact the Clerk-Treasurer.

### **Maintaining Health/Benefit Coverage During Leave**

Unless the employee revokes coverage while on MNPL, the city will continue to provide group health insurance coverage for an employee on MNPL under the same conditions as the coverage was provided before the employee took leave. The employee must continue to make timely payments of their share of the premiums for such coverage. The employee will be responsible for remitting portion of benefit premiums to the city in order to ensure continuation of benefits.

Group health insurance may be cancelled if an employee's premium payment is 30 days late. Before terminating coverage, the city will provide written notice to the employee at least 15 days before the coverage is terminated, listing the final date payment is due (30 days past the due date) to avoid cancellation, and the date coverage will end if payment is not received.

An employee's share of premium payments for their group health insurance coverage may, at the employee's option, be:

1. Prepaid at or before the start of the leave in which your health deductions may be modified to accept the agreed-upon amounts and cadence (frequency) of premium deductions;
2. Arrange to write a check every 2 weeks for the duration that the employee may be out.

Coverage that lapses due to nonpayment of premiums will be reinstated immediately upon return to work without a waiting period.

### **Reinstatement**

Upon return from covered MNPL, the employee will be reinstated to previous position or to an equivalent position, with the same status, pay, employment benefits, length-of-service credit, and seniority credit as of the date of leave as long as you have worked for the city for a minimum of 90 calendar days.

Upon return to work, if it becomes evident that the employee is unable to perform the key essential functions of their position (with or without reasonable accommodation), the city may engage in an interactive process, consistent with the American with Disability Act (ADA) and/or Minnesota Human Rights Act (MHRA) and other applicable workplace policies, including workplace safety protocols, to determine appropriate next steps.

### **Retaliation**

The city will not interfere with or retaliate against employees who request or take leave in accordance with the MN Paid Leave law.

**City of Vergas  
Personnel Committee Meeting**

The Personnel Committee was called to order on Thursday, February 12, 2026, at 9:00 am at 131 E Main St at the Government Services Center.

<b>2026</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>
Julie Bruhn, Mayor Appointment	<b>P</b>	<b>P</b>										
James Stenger, Council Appointment	<b>P</b>	<b>P</b>										
Julie Lammers, Clerk-Treasurer	<b>P</b>	<b>P</b>										
Mike DuFrane, Utilities Superintendent	<b>P</b>	<b>N/A</b>										
Matt Engebretson, Maintenance Worker	<b>N/A</b>	<b>P</b>			<b>N/A</b>							

*P: Present A: Absent N/A: No Meeting/Nonparticipant*

**Call to order**

Lammers called the meeting to order at 9:00 AM.

**Additions and Deletions**

None

**Leave Policy**

Lammers presented a draft Leave Coverage Policy for committee review. Following discussion, the Personnel Committee recommends that the Council approve the policy once the revisions discussed by the committee have been incorporated.

The committee also discussed the implementation of an annual handover checklist. Employees would provide this checklist during their annual review for Personnel Committee to review. The purpose of the checklist is to help ensure the City is prepared in the event an employee must take leave without advance notice.

**Employee Leave Recommendation**

Decision was made to have current employee taking leave work duties filled by Maintenance Worker.

**Adjournment**

The meeting was adjourned at 10:00 AM.

Secretary,

Julie Lammers, CMC  
Vergas City Clerk-Treasurer

**Council Recommendations**

Approve leave policy.  
Approve updated personnel policy.

**Follow Up Actions:**

All employees provide an annual handover checklist that identifies work tasks.

**City of Vergas**  
**Over 2 weeks of Continuous Leave Coverage & Operations Policy (Draft)**

**Introduction**

To establish a consistent City approach for covering essential work, maintaining benefits, and controlling costs when an employee is on approved leave for over 2 weeks of continuous leave.

**Scope**

This policy applies when an employee is on any City-approved leave of absence for up to 12 weeks (e.g., FMLA, parental, medical, military qualifying exigency). It governs operations and pay/benefit handling during absence. Eligibility for the leave itself is governed by the City's Leave Policy and applicable law.

**Policy**

**1. Coverage Plan During Leave**

**A. Temporary Replacement**

- The City may fill the position with a temporary employee (contract, seasonal, or limited-term) for the duration of the leave.
- The City may hire an outside firm to temporarily handle duties.
- The City may ask neighboring cities to temporarily help with duties.
- The Supervisor or Employee prepares a short coverage plan identifying:
  - A handover checklist that identifies work tasks will be completed before leave begins when foreseeable.
  - Whether duties are assigned to a temporary employee, redistributed to staff, or a mix
  - Training or handoff needs and any access required
- The Clerk-Treasurer/HR designee coordinates the temporary hire (if used), including budget coding, onboarding, and end date aligned to the expected return.

**B. Cross-Training & Redistribution**

- Where practical, duties may be redistributed to existing staff with personnel committee approval.
- Overtime requires pre-approval from the Personnel Committee and must be tracked to the appropriate budget line.

**C. Continuity of Operations**

- The Clerk-Treasurer ensures coverage for:
  - Public-facing services (phones, counters, email inboxes)
  - Required approvals/signatures (e.g., invoices, permits)
  - Time-sensitive regulatory tasks and reporting

**2) Pay, Benefits, and Stipends During Leave**

**A. Base Wages**

- Paid vs. unpaid leave is governed by the City's Personnel Policy and applicable law. Accrued paid leave used by the employee runs concurrently with any unpaid leave entitlement.

**B. Benefits Continuation (Health/Life/Disability)**

- The City will continue group benefits on the same employer contribution terms as active employment for up to 18 weeks of approved leave, provided the employee timely pays their share of premiums, as applicable.
- The Clerk-Treasurer/HR designee will notify the employee of premium amounts and payment due dates. Failure to timely pay may result in lapse of coverage as permitted by policy and law.

**C. Retirement & Other Voluntary Deductions**

- Retirement contributions to Public Employees Retirement Association (PERA) will be followed by Minnesota Statue. Other voluntary deductions continue only if the employee has sufficient pay in a payroll cycle. If not, the City will provide instructions for direct-pay or will suspend deductions until return, as applicable to the plan.

#### **D. Phone/Technology Reimbursements**

- Cell phone/technology reimbursements are paused during leave effective the first full pay period of the leave and do not resume until the employee returns to active work and the stipend is reauthorized.

#### **E. City-Issued Devices & Service Lines**

- If the City provides a City-owned phone or device, the City will decide whether to:
  - Retrieve and reassign the device to a temporary employee, or
  - Retain it unopened/offline during the leave.
- Any City-paid carrier lines/services not required for operations may be suspended during the leave to control costs.

### **3) Access, Records, and Security**

#### **A. IT & Systems Access**

- Prior to leave (when foreseeable), Clerk-Treasurer/IT designee access will be adjusted to protect City data while maintaining operational continuity (e.g., shared inbox access, out-of-office replies, forwarding of critical emails).
- No system changes may be made by the employee on leave without Clerk-Treasurer authorization.

#### **B. City Property**

- Keys, iPad, laptop, and other assets may be collected before leaving if needed for coverage or left with the employee if not required by the City. A receipt will be maintained.

#### **C. Confidentiality**

- Temporary staff and reassigned employees must follow all City privacy, records, and data security policies, and the City's records retention policy.

### **4) Communications & Public Interface**

- The Clerk-Treasurer will set an automatic email and voicemail message indicating the employee is unavailable and provide alternate contacts.
- The City will communicate changes in office hours or services as needed via website, signage, or social channels.

### **5) Budgeting & Cost Controls**

- Temporary replacement wages, overtime, and training costs will be charged to the department's budget line(s) identified by the Clerk-Treasurer.
- Phone stipends and any other allowances tied to active work when paused during the leave. (as noted in 2D).
- Any special pay adjustments or stipends for added responsibilities require prior written approval by the City Council.

### **6) Return-to-Work & Restoration**

- Upon timely return from approved leave, the employee will be restored to the same or equivalent position in accordance with the City's Leave Policy and applicable law.
- If the leave was for the employee's own medical condition, a fitness-for-duty release may be required.

### **7) Roles & Responsibilities**

- **Employee:** Provide notice, complete required forms/certifications, coordinate handoff, pay employee-share of benefits.
- **Supervisor/Employee:** Draft coverage plan, manage temporary staffing/redistribution, ensure service continuity, manage overtime.

- **Clerk-Treasurer/HR Designee:** Administer benefits and payroll changes, track costs, ensure policy compliance and notices, coordinate temporary hire onboarding/offboarding.
- **Clerk-Treasurer/IT Designee:** Adjust access, protect data, set up temporary or shared credentials per policy.

**8) Compliance & Exceptions**

This policy is intended to align with applicable federal and state law. The Clerk-Treasurer/Administrator may approve limited exceptions in writing for operational necessity, provided no law or contract is violated.

**9) Forms & Checklists**

- Leave Request & Certification (reference to City Personnel Policy)
- Coverage Plan & Handover Checklist that identifies work tasks
- Temporary Employee Onboarding Checklist
- Benefits Premium Notice Template
- IT Access & Asset Log
- Return-to-Work / Fitness-for-Duty Form
- City of Vergas Personnel Policy

Adopted on this 17<sup>th</sup> day of March 2026 by the City Council of the City of Vergas.

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Julie Bruhn  
Mayor

ATTEST:

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Julie Lammers  
City Clerk-Treasurer

**CITY OF VERGAS  
COUNTY OF OTTER TAIL  
STATE OF MINNESOTA  
RESOLUTION 2026-002**

**A RESOLUTION OF SUPPORT OF THE VERGAS EDA/HRA IN PURSUING THE GROWING  
UP VERGAS PROJECT**

**WHEREAS**, the City of Vergas has identified a shortage of day care and childcare providers and centers in and around the City of Vergas; and

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF  
VERGAS, MINNESOTA:** to fully support and hereby approve Vergas EDA/HRA to apply for grants and/or other available funding opportunities.

Adopted on the 17th day of February 2026 by the City Council of the City of Vergas.

CITY OF VERGAS

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By: Julie Bruhn, Mayor

ATTEST:

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By: Julie Lammers, City Clerk-Treasurer

**CITY OF VERGAS  
COUNTY OF OTTER TAIL  
STATE OF MINNESOTA  
RESOLUTION 2026-003**

**A RESOLUTION APPROVING SPECIAL ASSESSMENTS TO PROPERTIES FOR A PERIOD OF TEN (10) YEARS AT AN INTEREST RATE OF 6.2%**

WHEREAS, the City has completed certain public improvements benefiting the properties identified in the assessment roll; and

WHEREAS, the proposed assessments have been calculated in accordance with applicable law, city policy, and the benefits received by each affected property; and

WHEREAS, the City Engineer has prepared and presented the assessment roll for review; and

WHEREAS, a duly noticed public hearing was held on February 17, 2026, at which time all interested persons were given an opportunity to be heard regarding the proposed assessments; and

WHEREAS, the City Council has reviewed the assessment roll and finds the assessments to be fair, reasonable, and consistent with the benefit conferred upon the assessed properties.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VERGAS:

**1. Approval of Assessments**

The special assessments as set forth in the assessment roll attached hereto and made a part hereof are hereby approved and adopted.

**2. Assessment Term**

The assessments shall be payable over a period of **ten (10) years**.

**3. Interest Rate**

Interest shall accrue on the unpaid balance at an annual rate of **6.2%**, beginning on the date specified in the assessment roll.

**4. Certification to County**

The City Clerk-Treasurer is hereby authorized and directed to certify the approved assessments to the County Auditor for collection in the same manner as property taxes.

**5. Effective Date**

This resolution shall take effect immediately upon its passage and adoption.

Adopted on the 17th day of February 2026 by the City Council of the City of Vergas.

CITY OF VERGAS

\_\_\_\_\_  
By: Julie Bruhn, Mayor

ATTEST:

\_\_\_\_\_  
By: Julie Lammers, City Clerk-Treasurer

**City Council**  
**2026 February Council Meeting**  
**Vergas Event Center & Zoom Id number 267-094-2170 password 56587**  
**6:00 PM on Tuesday, February 17, 2026**

**5. Approval of Consent Agenda**

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- A. Council Minutes of January 20, 2026
- B. Bills paid between Council meetings and Council bills
- C. Liquor Store bills for January 2026
- D. Late water/sewer bills
- E. 2026 Investment Schedule/Bond Schedule
- F. General Fund Special Revenue Money Market Account
- G. 2026 Statement of Receipts, Disbursements and Balances
- H. Committee Reports
  1. EDA/HRA
  2. Planning Commission
  3. Event Center Advisory Board
  4. Energy and Resiliency
  5. CDH-Vergas Fire Board

**Files Attached**

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- City Council Minutes 1.20.26.pdf
- 02.2026 City Bill Listing.pdf
- 2.17.26 Claims List for Approval.pdf
- 01.2026 Liquor Store Bill Listing.pdf
- 02.12.26 Utility past\_due\_customers (16).pdf
- 01.2026 Investment Schedule & Bond Schedule.pdf
- 01.2026 General Fund\_Special Revenue Money Market Account Report.pdf
- 2.4.26 EDA.HRA Minutes.pdf
- Planning Commission Minutes 1.26.26.pdf
- Event Center Minutes 2.11.26.pdf

**CITY OF VERGAS  
COUNCIL MINUTES  
VERGAS EVENTS CENTER & ZOOM  
Tuesday, January 20, 2025**

The City Council of Vergas met at 6:30 pm, on Tuesday, January 20, 2025 at the Vergas Event Center and on a Zoom for a hybrid regular public hearing.

2025	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Julie Bruhn, Mayor	P											
Bruce Albright, Member	P											
Paul Pinke, Member	P											
Dean Haarstick, Member	P											
James Stenger, Member	P											
Julie Lammers, Clerk-Treasurer	P											
Mike Dufrane, Utilities Superintendent	P											
Kyle Theisen, Liquor Store Manager	P											

*P: Present. A: Absent N/A: No meeting*

Present via Zoom: Engineer Blaine Green of Widseth, Griffin Peck of West Central Initiative, Editor Bob Williams of the Frazee-Vergas Forum; and Citizens, Marcia Huddleston.

Present in person: Attorney Karen Skoyles

**Call to Order**

Mayor Julie Bruhn called the meeting to order at 6:30 PM.

**Citizens' Concerns**

None.

**Agenda Additions and Deletions**

Bruhn requested one addition to the agenda: adding solar for the fire hall as item number 8, noting that if Griffin Peck from West Central Initiative wasn't present at that time, they would move the item down accordingly.

Motion by Stenger, seconded by Pinke, to approve the agenda with the addition of solar for the fire hall as item number 8. The motion passed unanimously.

**Approval of Consent Agenda**

Motion by Pinke, seconded by Albright, to approve the consent agenda. The motion passed unanimously.

**Set Time, Place and Date of Regular 2026 Meetings**

The Council discussed continuing with the current schedule of meeting on the third Tuesday of each month at 6:30 PM at the Vergas Event Center. Pinke noted this time doesn't conflict with Lions meetings, which was beneficial since those meetings used a lot of parking and created noise when held on the 2<sup>nd</sup> Tuesday of the month.

Motion by Pinke, seconded by Stenger, to maintain the current meeting schedule of the third Tuesday of each month at 6:30 PM at the Vergas Event Center. The motion passed unanimously.

**Appointment of Acting Mayor**

Motion by Pinke, seconded by Albright, to appoint Stenger as Acting Mayor. The motion passed unanimously.

**Appointments**

Bruhn noted that the annual reviews for both the city attorney and engineer were included in the materials. She highlighted that the review for the attorney was overall favorable despite only having six months of service to evaluate. The engineering review acknowledged the expertise and knowledge brought by the firm, while identifying timely communications as an area for improvement.

The appointments included:

- Council Portfolios

- Ramstad, Skoyles and Bakken, P.A. as City Attorney
- Frazee-Vergas Forum as the Official Newspaper
- [www.cityofvergas.com](http://www.cityofvergas.com) as the official place of advertisement for projects
- Vergas State Bank as the Official Depository
- Widseth as the City Engineering Firm

Motion by Pinke, seconded by Stenger, to approve all appointments. The motion passed unanimously.

### **Solar for the Fire Hall**

Peck from West Central Initiative joined the meeting via Zoom to discuss solar projects. He first provided an update on the Vergas Event Center Solar Project, noting delays including an unforeseen transformer upgrade. He explained that Otter Tail Power only allows installation up to half the capacity of the transformer on-site, unlike other utilities that allow up to full capacity. He shared the updated timeline: electrical schedule for early March, roof ground schedule for early May, and battery room build-out by the end of January. Peck then presented a proposal for a solar installation at the fire hall. His analysis showed that a 50 kWDC/40 kWAC system would produce 62,260 kilowatt hours annually, offsetting 90-110% of the building's energy use. The total upfront cost would be \$117,500, with rebates and tax credits totaling \$94,000, leaving a balance of \$23,500. The annual energy savings would be approximately \$5,100, meaning the project would not only pay for the building's current energy costs but provide an additional \$1,000 annually. The project would become cash flow positive after 4.5 years and save the city approximately \$149,661 over its 30-year lifetime. Peck noted that his colleague Cedar Walters would present to the fire hall board on February 2nd to seek approval to include this project in their cooperative Request For Proposal (RFP). If approved, the city would receive a bid in May or June with no commitment required at this time. He also mentioned that West Central Initiative might provide grant funding, though the amount would depend on final pricing and how many communities move forward with projects.

### **City Center Parking Lot**

#### ***Engineer Update***

Blaine Green from Widseth provided an update on the parking lot project. He noted that an additional pay estimate had been prepared for work completed. A small amount of concrete work remains, which the contractor is willing to address in the spring. Three percent retainage is being held to ensure any issues can be fixed once the ice melts.

#### ***2nd Installment Payment***

Motion by Albright, seconded by Pinke, to approve partial pay request number 2 in the amount of \$55,174.47. The motion passed unanimously.

#### ***Set Assessment Hearing***

The Council discussed setting an assessment hearing for February 17th at 6:00 PM, before the regular council meeting. Lammers, City Clerk/Treasurer, presented the assessment amounts for five parcels, totaling \$36,997. Blaine Green clarified that the amount being assessed to property owners was \$10,671.36, based on a rate of \$26.88 per linear foot as presented at the public hearing approximately 18 months ago. The Council discussed the assessment term, with Albright noting that the highest assessment of \$3,467 would amount to approximately \$345 per year plus interest on a 10-year term.

Motion by Albright, seconded by Stenger, to set the term for the parking lot improvement project assessment at 10 years. The motion passed unanimously.

Motion by Stenger, seconded by Albright, to hold the assessment public hearing on February 17, 2026, at 6:00 PM at the Vergas Event Center. The motion passed unanimously.

### **Committee Reports**

#### ***Personnel***

Motion by Pinke, seconded by Stenger, to accept the successful performance ratings for the City Clerk-Treasurer and Utility Superintendent. The motion passed unanimously.

The committee also recommended approval of the addition of Minnesota Paid Leave Law language to the Personnel Policy on page 9. The language was taken directly from the law and was reviewed and approved by the personnel committee.

Motion by Stenger, seconded by Pinke, to approve the addition of Minnesota Paid Leave Law language to the personnel policy. The motion passed unanimously.

## **EDA/HRA**

Albright reported that the EDA/HRA was requesting a resolution of support from the City Council to waive water and sewer fees and the conditional use permit fee for the daycare project if it progresses to the building stage. Lammers explained that the fees would total \$3,400, with water access charges (WAC) of \$1,500, sewer access charges (SAC) of \$1,500, and a \$400 conditional use permit fee. Albright noted that the city has waived such fees in the past for community projects of this nature and that daycare has been a priority for the community.

Motion by Albright, seconded by Pinke, to waive the WAC and SAC fees and conditional use permit fee for the daycare project. The motion passed unanimously.

The EDA/HRA also requested a resolution of support for the daycare project to help with grant applications and ensure Council support as they proceed with the project.

Motion by Albright, seconded by Pinke, to approve Resolution 2026-001 indicating City Council support for the potential daycare project. The motion passed unanimously.

## **Liquor Store/Municipal Building/License Committee**

Stenger reported that the Step Up boutique had installed signage that was not approved by the committee. The sign, which reads "Step Up Boutique" next to the door, was not approved at the previous meeting, and the committee had instructed the business to come back with revised wording that would include "Liquor Store" to comply with their agreement not to detract from liquor store operations. Liquor Store Manager Kyle Theisen noted that he may have failed to clearly communicate that no signage should be added, only that no nails or screws should be used on the exterior.

Motion by Albright, seconded by Stenger, to remove the existing Step Up Boutique sign and to follow the Council's December recommendations requiring a revised design. The motion passed unanimously.

## **Event Center Advisory Board**

Stenger reported an issue regarding ashtrays at the event center. Following the last meeting, there was confusion about the removal of ashtrays and pushback from city employees about the advisory board's authority. Stenger explained that the board had decided to remove ashtrays attached to the building for safety reasons, but this created confusion about the board's role as advisory versus decision-making. The Council agreed to review the policy for the building, which Bruhn noted was outdated and needed clarification regarding responsibilities. The discussion highlighted the need for ashtrays to be movable rather than attached to the building, and consideration of their placement relative to entrances in accordance with smoking regulations.

## **Staff Reports**

### **Utilities Superintendent Report**

No specific questions were raised about the Utilities Superintendent's written report. A brief follow-up discussion occurred regarding the Keilly Shores issue, with Green reporting that emails had been sent to the engineer but no response had been received yet.

### **Liquor Store Manager Report**

Theisen provided a year-end review of the liquor store operations. He reported that while sales had decreased slightly from the previous year, they still exceeded \$1 million, with a slight increase of approximately \$1,800 over last year. The store reached \$1,014,000 in sales, compared to \$1,012,000 the previous year. Theisen explained that the decrease in sales growth was part of a nationwide trend affecting alcohol sales, with particular impact during the summer months of June and July. Despite this, the store generated an approximate profit of \$32,000 after all expenses, transferred \$20,000 to the city's general fund, and provided about \$13,000 in discounts to the community through senior and military discounts. Albright inquired about increased expenses, which Theisen attributed to rising wholesale prices and a 14% increase in insurance costs. Theisen also shared sales statistics, noting that the average transaction remained consistent at around \$27, and that over 25,000 pounds of product were hauled into the store by employees during the year. The top-selling products included more than 11,000 airplane-sized shooters and Busch Light as the top-selling beer.

### **Clerk Treasurer Report**

Lammers reported that while the city was awarded the Minnesota Department of Health (MDH) Implementation grant for fencing around the water tower, the state had exhausted its grant funds. The city's application is approved but on a waiting list for when additional funding becomes available.

## **2025 Mayor's State of Address**

Bruhn delivered her State of the City address, focusing on resilience, which she defined as "the capacity to anticipate, adapt, respond to disruptions while maintaining essential functions that ensure long-term survival and growth." She highlighted the city's collaboration with Empowerment Small Minnesota Communities (ESMC), Regional Sustainable Development Partnership (RSDP), and

West Central Initiative to strengthen city resilience. She noted that 86% of strategies identified in the 2022 comprehensive plan had seen progress or completion.

Key accomplishments for 2025 included:

- Completion of the city center parking lot and addition of two handicap parking designations downtown
- Near-complete sale of lots in three new housing additions (94% sold)
- Continued support for the business community through the EDA/HRA and Community Club
- Prioritization of securing a daycare, with a purchase agreement for a location on 303 Altona Avenue
- Progress on parks and open space, with the Long Lake Park improvement plan and approval of a sales tax resolution to fund the \$1.2 million project
- Connection to the Heart of Lakes Trail, with future plans to connect to the Heartland Regional Trail by 2031
- Receipt of grants for energy initiatives, including weatherization improvements and solar panel installation
- Achievement of Level 2 (of 5) Green Step City status

Bruhn also noted that the city was reviewing the eight strategies from the comprehensive plan that hadn't yet seen progress, to determine if they remained relevant or needed adjustment.

#### **Information & Announcements**

Bruhn reminded everyone about upcoming events including:

- Board of Review on April 8, 2026
- Hazardous Waste Day on June 23, 2026
- Previously approved employee trainings for 2026

#### **Adjournment**

Motion by Stenger, seconded by Albright, to adjourn the meeting. The motion passed unanimously. The business for which the meeting was called was completed and adjourned at 7:30 PM.

Recorded by  
Deputy Clerk  
Rachel Nustad (assisted by ClerkMinutes)

Julie Lammers, CMC  
Vergas City Clerk-Treasurer

CITY OF VERGAS  
 Bill Listing for Jan. 22, 2025 to Feb. 12, 2026

VENDOR	DESCRIPTION	TOTAL
City of Vergas	Water and Sewer	67.25
City of Vergas	Payroll	10,954.26
General Equipment & Supplies, Inc	St. Parks, Loader Repair	866.58
Internal Revenue Services	2026 Withholding Tax	3,262.35
Lake Region Electric	Sign, electricity	61.27
MN Dept. Revenue	2026 Withholding Tax	561.87
MN DNR Eco-Waters	2025 DNR Water Use	221.40
Public Employees Retirement Assoc.	Payroll	2,272.41
Vergas State Bank	HSA Contribution	1,710.00
Total for bills paid between Council Meetings		<u>\$19,977.39</u>

Date Range : 1/12/2026 To 2/17/2026

<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Claim #</u>	<u>Total</u>	<u>Account #</u>	<u>Account Name</u>	<u>Detail</u>
02/17/2026	Blue Cross Blue Shield of Minnesota	Employees Health Insurance Premium March 2026	516479	\$5,013.30			
					100-41405-131-	Clerk	\$454.21
					601-49440-131-	Water Utilities - Administration and General	\$780.33
					602-49490-131-	Sewer Utilities - Administration and General	\$780.33
					100-43110-131-	Highways, Streets & Roadways	\$326.12
					100-45210-131-	Parks	\$326.12
					609-49751-131-	Liquor Store - Manager - Off-Sale	\$2,346.19
02/17/2026	Butch's Custom Service and Repair	Streets, repair snowblower	516480	\$309.90			
					100-43110-400-	Highways, Streets & Roadways	\$309.90
02/17/2026	Colonial Life	2026 Employee Reimbursed Insurance	516481	\$232.82			
					100-41405-999-	Clerk	\$135.66
					609-49751-999-	Liquor Store - Manager - Off-Sale	\$51.26
					100-43110-999-	Highways, Streets & Roadways	\$11.87
					100-45210-999-	Parks	\$11.87
					100-41405-999-	Clerk	\$22.16
02/17/2026	Corporate Technologies, LLC	All Depts, Tech, Computer Inv #218739	516482	\$660.00			
					100-41010-200-	GENERAL GOVERNMENT	\$660.00
02/17/2026	Michael DuFrane	St, Park, Sewer, Water, cell phone reimbursment	516483	\$75.00			
					601-49440-321-	Water Utilities - Administration and General	\$18.75
					602-49490-321-	Sewer Utilities - Administration and General	\$18.75
					100-43110-321-	Highways, Streets & Roadways	\$18.75
					100-45210-321-	Parks	\$18.75
02/17/2026	Matthew Engebretson	St, Pk, reimbursed cell phone	516484	\$25.00			
					100-43110-321-	Highways, Streets & Roadways	\$12.50

Date Range : 1/12/2026 To 2/17/2026

<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Claim #</u>	<u>Total</u>	<u>Account #</u>	<u>Account Name</u>	<u>Detail</u>
					100-45210-321-	Parks	\$12.50
02/17/2026	Franklin Fence Company, Inc.	St, boards	516485	\$8.59			
					100-43110-210-	Highways, Streets & Roadways	\$8.59
02/17/2026	ALLy Gaetz	Event, employee clothing	516486	\$30.00			
					100-45110-245-	EVENT CENTER	\$30.00
02/17/2026	General Equipment & Supplies, Inc.	St, Loader repair supplies	516487	\$131.76			
					100-43128-220-	YARD WASTE	\$43.92
					100-43110-220-	Highways, Streets & Roadways	\$43.92
					100-45210-220-	Parks	\$43.92
02/17/2026	Gopher State One Call	Wtr, Swr, One Calls operator fee and call INV #6010811	516488	\$51.35			
					602-49490-210-	Sewer Utilities - Administration and General	\$25.68
					601-49440-210-	Water Utilities - Administration and General	\$25.67
02/17/2026	Great Plains Natural Gas Company	Shop, Event Center utility	516489	\$997.65			
					100-45110-380-	EVENT CENTER	\$662.54
					100-43010-380-	City Shop	\$335.11
02/17/2026	Hansons Plumbing & Heating, Inc.	Event, furnance filters and riser	516490	\$220.19			
					100-45110-210-	EVENT CENTER	\$220.19
02/17/2026	Elan Financial Services	GG, programs,	516491	\$374.02			
					100-41010-200-	GENERAL GOVERNMENT	\$65.15
					602-49450-200-	Sewer Utilities - Sanitary Sewer Maintenance	\$65.15
					601-49440-200-	Water Utilities - Administration and General	\$65.15
					100-45110-211-	EVENT CENTER	\$21.53
					609-49751-200-	Liquor Store - Manager - Off-Sale	\$32.48
					609-49751-211-	Liquor Store - Manager - Off-Sale	\$124.56

Date Range : 1/12/2026 To 2/17/2026

<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Claim #</u>	<u>Total</u>	<u>Account #</u>	<u>Account Name</u>	<u>Detail</u>
02/17/2026	Lakes Community Cooperative	Streets, operating fuel	516492	\$155.09	100-45210-210-	Parks	\$155.09
02/17/2026	Lamb Garage Door	Shop, repair photo eye on garage door Inv 2068	516493	\$125.00	100-43010-400-	City Shop	\$125.00
02/17/2026	Julie Lammers	Clerk, cell phone reimbursement and mileage to Fergus Falls for safety meeting & supplies	516494	\$138.80	100-41405-321- 601-49440-321- 602-49490-321- 100-41405-331-	Clerk Water Utilities - Administration and General Sewer Utilities - Administration and General Clerk	\$25.00 \$25.00 \$25.00 \$63.80
02/17/2026	Locators & Supplies	Streets, bomber Jacket	516495	\$132.98	100-43110-245-	Highways, Streets & Roadways	\$132.98
02/17/2026	Crestline Software, LLC	Utility Billing Program Service Inv 171428, 17428	516496	\$880.60	601-49440-200- 602-49490-200-	Water Utilities - Administration and General Sewer Utilities - Administration and General	\$440.30 \$440.30
02/17/2026	Olson Oil Co.	St, operating supplies	516497	\$397.55	100-43110-210-	Highways, Streets & Roadways	\$397.55
02/17/2026	Otter Tail Power	Park, ballfield electricity	516498	\$29.74	100-45210-380-	Parks	\$29.74
02/17/2026	Otter Tail Power Company	All depts, utility	516499	\$2,368.63	602-49490-380- 100-43160-380-	Sewer Utilities - Administration and General Street Lighting	\$294.20 \$676.04

Date Range : 1/12/2026 To 2/17/2026

<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Claim #</u>	<u>Total</u>	<u>Account #</u>	<u>Account Name</u>	<u>Detail</u>
					100-45110-380-	EVENT CENTER	\$316.85
					100-45210-380-	Parks	\$105.78
					601-49440-380-	Water Utilities - Administration and General	\$698.06
					100-41010-380-	GENERAL GOVERNMENT	\$143.48
					100-43010-380-	City Shop	\$134.22
02/17/2026	Productive Alternatives, Inc.	Event Center, 2025 Cleaning Inv#6234	516500	\$110.41			
					100-45110-300-	EVENT CENTER	\$110.41
02/17/2026	PB Pey-Barker Fire & Safety	All Depts, extinguisher inspections & maintenance	516501	\$398.00			
					100-45110-400-	EVENT CENTER	\$176.00
					100-43110-400-	Highways, Streets & Roadways	\$90.00
					601-49440-400-	Water Utilities - Administration and General	\$40.00
					602-49490-400-	Sewer Utilities - Administration and General	\$40.00
					609-49751-400-	Liquor Store - Manager - Off-Sale	\$52.00
02/17/2026	Ramstad, Skoyles & Bakken, PA	Attorney fees	516502	\$225.00			
					100-41010-304-	GENERAL GOVERNMENT	\$50.00
					609-49751-200-	Liquor Store - Manager - Off-Sale	\$175.00
02/17/2026	RMB Environmental Laboratories, Inc	Water & Sewer, 2026 Chemicals Inv D085453	516503	\$59.57			
					602-49490-218-	Sewer Utilities - Administration and General	\$29.78
					601-49440-218-	Water Utilities - Administration and General	\$29.79
02/17/2026	Sign Solutions	St, signs	516504	\$1,203.12			
					100-43110-210-	Highways, Streets & Roadways	\$1,203.12
02/17/2026	Steve's Sanitation, Inc.	Event, Parks, garbage pickup	516505	\$904.66			
					100-45110-384-	EVENT CENTER	\$284.06
					100-45210-384-	Parks	\$620.60

Date Range : 1/12/2026 To 2/17/2026

<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Claim #</u>	<u>Total</u>	<u>Account #</u>	<u>Account Name</u>	<u>Detail</u>
02/17/2026	Kyle Theisen	LS, Cell Phone Reimbursement	516506	\$25.00	609-49751-321-	Liquor Store - Manager - Off-Sale	\$25.00
02/17/2026	ULINE	Event, LS, Park, smoker receptacles	516507	\$437.28	100-45110-210- 609-49751-210- 100-45210-210-	EVENT CENTER Liquor Store - Manager - Off-Sale Parks	\$174.92 \$174.92 \$87.44
02/17/2026	Vestis	Event, 2026 rugs and supplies Inv 717660. 724462,	516508	\$269.02	609-49751-210-	Liquor Store - Manager - Off-Sale	\$269.02
02/17/2026	Victor Lundeen Company	All Depts, w-2 envelopes	516509	\$10.50	100-43110-200- 100-45210-200- 601-49440-200- 602-49490-200-	Highways, Streets & Roadways Parks Water Utilities - Administration and General Sewer Utilities - Administration and General	\$2.62 \$2.63 \$2.63 \$2.62
02/17/2026	Vergas Hardware	Str, Office, shop, supplies	516510	\$128.12	100-43010-210- 100-43110-210- 100-41010-210-	City Shop Highways, Streets & Roadways GENERAL GOVERNMENT	\$34.99 \$61.96 \$31.17
02/17/2026	Vergas Insurance Agency, LLP	Bond, 3.15.26-3.15.27 Public Official Bond Renewal	516511	\$100.00	100-41110-360-	Council/Town Board	\$100.00

Date Range : 1/12/2026 To 2/17/2026

<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Claim #</u>	<u>Total</u>	<u>Account #</u>	<u>Account Name</u>	<u>Detail</u>
Total For Selected Claims				\$16,228.65			\$16,228.65

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Bruce E Albright

City Council/Town Board

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Date

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Dean Haarstick

City Council/Town Board

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Date

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James Stenger

City Council/Town Board

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Date

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Julie A Bruhn

City Council/Town Board, Mayor

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Date

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Paul Pinke

City Council/Town Board

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Date

**City of Vergas Liquor Store Checks Paid in January 2026**

<u>Vendor</u>	<u>Description</u>	
Absolut Ice		101.00
Artisan Beer Company		591.35
Arvig Communications	Security, phone	156.95
Bergseth Bros		15,794.97
Beverage Wholesalers		2,940.50
Blue Cross Blue Shield	Employee, Health Ins.	1,974.13
Breakthru Beverage		5,700.02
City of Vergas	Payroll	6,511.45
City of Vergas	Water/Sewer	68.76
Colonial Life	Employee Reimbursed Ins	76.89
Corporate Tech	Technology	1,009.97
Dacotah Paper Company	Gloves	23.54
D-S Beverage		10,048.01
Elan Financial Services	Bags, Trademark Name	459.23
Fricke Consultin Sale	POS service fee	165.00
Great Plains Nat Gas		216.78
Internal Revenue Service	2026 Withholding Tax	1,889.81
Johnson Brothers Liquor Co		8,193.50
Merchant Service	2025 Dec. Credit Card fees	1,274.16
MN Dept. of Revenue	Sales Tax-Dec 2025	5,933.00
MN Dept. Revenue	2026 Withholding Tax	270.78
MN Life	Employee Life Ins	37.20
Otter Tail Power	Utility	478.45
Paustis Wine & Spirits, Inc.		417.00
Phillips Wine & Spirits		6,299.29
Public Employees Retirement Assoc.	Payroll	1,204.53
Southern Wine & Spirits of MN		4,702.66
Theisen Kyle	Cell Phone reimbursement	25.00
Vergas Hardware	Lightbulbs and batteries	56.29
Vergas State Bank	HSA	461.00
Vestis	Rugs	217.41
Viking Coca-Cola Bottling Co		424.50
Vinocopia		630.50
<b>Total</b>		<u><u>\$78,353.63</u></u>
January Receipts		<u><u>53,802.17</u></u>
<b>2025 Total Income (Loss)</b>		<b>(\$24,551.46)</b>

City of Vergas  
**Past Due Customers**

Account Type All  
 Account Category All  
 Route: All  
 Past Due Days 90  
 Status Active  
 Exclude Payment Plans False

Route	Sort	Account #	Customer Name	Status	Parcel #	Service Address	Aged Days	Past Due Amt.	Total Balance	Deposit Balance	Last Pymt. Date	Last Pymt. Amount	Meter #	Meter Type	Pay Plan
2	0	1190	Skal Inc	Active	82000500012001	219 E Frazee Ave	98	93.43	343.90	0.00	10/28/2025	645.22	62392578	WATER	No
2	0	21	Krieg, Benjamin	Active	82000990051000	149 E Elm St	98	56.86	307.86	0.00	10/29/2025	320.00	88805360	WATER	No
2	0	910	Lankow, Benjamin	Active	82000990170000	339 E Frazee Ave	133	137.81	387.02	0.00	09/17/2025	354.88	89621694	WATER	Yes
<b>Total</b>							<b>Count: 3</b>	<b>288.10</b>	<b>1,038.78</b>						

**City of Vergas Investments**

	<u>Account Number</u>	<u>12/31/25 Purchase</u>	<u>Sold</u>	<u>Interest Earned</u>	<u>12/31/25</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
General Fund	325657	283,731.72	0.00	0.00	224.12	283,955.84	0.75% MMDA
2019 Street Debt Fund	325657	203,073.29	0.00	0.00	160.40	203,233.69	0.75% MMDA
Parking Lot/Alley	325657	138,334.17	0.00	138,334.17	0.00	0.00	
Liquor Store Fund	325657	77,360.14	0.00	77,360.14	0.00	0.00	
Sewer Reserve	19753	28,463.40	0.00	0.00	0.00	28,463.40	3.50% 12/27/2026
Sewer and Water Debt Service	19759	39,441.07	0.00	0.00	0.00	39,441.07	2.50% 7/17/2026
Liquor Fund	20338	156,645.95	0.00	0.00	0.00	156,645.95	2.50% 12/14/2026
Totals		<u>927,049.74</u>	<u>0.00</u>	<u>215,694.31</u>	<u>384.52</u>	<u>711,739.95</u>	

**City of Vergas Bond Schedule**

<u>Title</u>	<u>Purchase Date</u>	<u>Beg. Balance</u>	<u>Interest Rate</u>	<u>Bank</u>	<u>Maturity Date</u>	<u>Balance 12/31/2025</u>	<u>Interest Paid in 2026</u>	<u>Balance 1/31/2026</u>	<u>Amount Paid in 2026</u>
<b>Street Debt Service Fund</b>									
General Obligation Improvement Refunding Bonds, Series 2015A	12/15/2015	\$299,000.00	2.42%	Vergas State Bank	2/1/27	61,000.00	808.25	33,000.00	28,000.00
General Obligation Improvement Refunding Bonds, Series 2019A (412)	6/11/2019	\$985,000.00	3.26%	First National Bank of Omaha	2/1/40	785,000.00	12,030.63	740,000.00	45,000.00
Taxable Lease, 2023	10/24/2023	\$230,000.00	5.90%	Vergas State Bank	2/1/39	224,000.00	6,945.50	213,000.00	11,000.00
Parking Lot, 2025	9/10/2025	\$147,000.00	5.20%	Vergas State Bank	2/1/36	147,000.00	0.00	147,000.00	0.00
<b>Water Fund</b>									
General Obligation Water Revenue Note, Series 2022A	2/1/2022	<u>\$132,000.00</u>	3.25%	Vergas State Bank	2/1/32	95,000.00	950.00	<u>82,000.00</u>	<u>13,000.00</u>
Total		\$1,793,000.00				<b>1,312,000.00</b>		1,215,000.00	97,000.00

**2019 Street Project/General Fund/Special Revenue Money Market Account**

	01/01/2026		2026	2026			1/31/2026	
	Balance	Interest	Interest	Purchased	2026 sold			
Uncommitted Funds	142,961.85	29.37%	112.94	0.00	0.00		143,074.79	29.37%
City Shop	8,694.12	1.79%	6.87	0.00	0.00		8,700.99	1.79%
Easements	5,297.58	1.09%	4.18	0.00	0.00		5,301.76	1.09%
Event Center	973.41	0.20%	0.77	0.00	0.00		974.18	0.20%
Event Center Electronic Sign	10,178.27	2.09%	8.04	0.00	0.00		10,186.31	2.09%
General	14,755.40	3.03%	11.66	0.00	0.00		14,767.06	3.03%
Park	36,099.65	7.42%	28.51	0.00	0.00		36,128.16	7.42%
Sand Seal (Seal Coating)	13,194.65	2.71%	10.42	0.00	0.00		13,205.07	2.71%
Sidewalk	7,928.17	1.63%	6.26	0.00	0.00		7,934.43	1.63%
Street Improvements/Equipment	42,138.70	8.66%	33.28	0.00	0.00		42,171.98	8.66%
Yard Waste	1,509.32	0.31%	1.19	0.00	0.00		1,510.51	0.31%
Liquor Store	77,360.14	0.00%	0.00	0.00	77,360.14		0.00	0.00%
2025 Parking Lot Alley Project	138,334.77	0.00%	0.00	0.00	138,334.17		0.60	0.00%
2019 Street Project	203,073.29	41.72%	160.40	0.00	0.00		203,233.69	41.72%
Balance	702,499.32	100.00%	\$384.52	\$0.00	\$215,694.31		487,189.53	*** 100.00%

\*\*\*Committed total should not drop below \$170,000 or be above \$290,000 at the end of the year.

Current Committed Total 283,955.24

**Vergas EDA/HRA  
Government Services Center & Zoom  
5:30 PM on Wednesday, February 4<sup>th</sup>, 2026**

EDA/HRA Mission: Retain and promote business in our community, adding housing so that we prosper and increase our tax base, keeping Vergas a vital community.

The City of Vergas Economic Development Authority (EDA) and Housing Redevelopment Authority (HRA) met on Wednesday, February 4<sup>th</sup>, 2026, at 5:30 pm in a hybrid meeting at the Vergas Government Services building and on Zoom.

<b>2025</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>
Bruce Albright, President/Council Liaison	<b>A</b>	<b>P</b>										
Paul Sonnenberg, Member	<b>P</b>	<b>P</b>										
Kevin Zitzow, Member	<b>P</b>	<b>P</b>										
Jennifer Carlson, Member	<b>A</b>	<b>A</b>										
Vanessa Perry, Member	<b>P</b>	<b>P</b>										
Julie Lammers, City Clerk-Treasurer	<b>P</b>	<b>P</b>										

*P: Present. A: Absent N/A: No meeting*

Present via Zoom: Editor Bob Williams of the Frazee-Vergas Forum,

Present in person: CEDA Representative Kaite Gehring

**Call to Order**

The meeting was called to order by Albright at 5:30 PM.

**Agenda Additions and Deletions**

None.

**Status of Recommendations to City Council**

**Resolution**

Albright reported that the City Council agreed to waive the hookup fees for sewer and water and entered into a resolution supporting the project in general. The EDA/HRA now has the City's backing to continue forward with their project. Lammers noted that the Planning Commission will be holding a public hearing on February 23rd regarding allowing home-based daycare in a residential area. She explained that a conditional use permit is needed when a home-based daycare has more than 12 children. After consulting with Otter Tail County and other towns, she found that many cities have removed this requirement from their ordinances, as they now only require permits for non-licensed daycares. The Planning Commission will be discussing potentially changing the ordinance.

**Minutes**

Motion by Sonnenberg, seconded by Perry, to approve the minutes from January 7, 2026. The motion passed unanimously.

**Financial Update**

**2026 Income and Expenses**

Lammers reported that there were no changes to the financial information since the previous month.

Motion by Sonnenberg, seconded by Perry, to approve the financial report as presented. The motion passed unanimously.

## **CEDA Representative Katie Gehring**

### **Grant Applications**

Gehring reported that there are no new grant applications at this time. She noted that another round of grant applications could potentially be pursued in the spring.

### **First Children's Finance Update**

Gehring provided an update on the First Children's Finance project. She completed an onboarding Zoom meeting with them and explained that it will be a 9-10 month process. The first meeting will be lengthy (2-3 hours), with subsequent meetings being one hour in length. The meeting cadence will be set by the committee. Gehring explained that after the fifth meeting, committee members will meet in project teams on their own. The committee will be able to conduct a rate study and gap analysis. She has sent out a poll for committee members to determine the timing of their first meeting, which is likely to take place during the first or second week of March. Virtual meetings were determined to be the easiest option, and makeup sessions will be provided for members who cannot attend.

### **Daycare Tours**

Gehring provided an overview of the daycare tours the committee had conducted:

1. Perham: The facility was purchased with community partners to help buy in. The project cost approximately \$190,000. The EDA pays for all utilities, maintenance, and insurance. Mahube rents the facility for \$350 depending on size and provider. (Daycare vs. Headstart)
2. Otter Tail: The committee toured a new build consisting of two duplex units, with a community center being built on the adjacent lot. This is a \$1.2 million project. A nonprofit foundation was established to run the facility, charging \$750 per month per provider with incentives for the first three months free. The nonprofit pays for utilities, lawn care, and snow removal.

Committee members discussed the differences between the two facilities. Sonnenberg noted that the Perham facility was very small and could only accommodate 6-7 children at a time, which could contribute to provider burnout. The Otter Tail facility was larger and better designed. Albright mentioned that the Otter Tail project was started by a couple who couldn't find daycare within 30 miles. They established a nonprofit and raised significant funding through the local community. The Otter Tail facility featured higher ceilings (10-11 feet) compared to Perham's 8-foot ceilings. Gehring noted that the Otter Tail project timeline was about three years, and approximately \$600,000 of the cost was paid for through fundraising.

### **Building Plans Child Care**

The committee reviewed several building options:

1. A child care house built in Mapleton, Minnesota, with a total investment of \$288,000.
2. A dynamic duplex plan, similar to what they saw in Perham, costing approximately \$222,000-\$289,000.

The committee discussed the pros and cons of modular/dynamic homes versus stick-built construction. Zitzow expressed concern about the quality differences between the two building methods and suggested that stick-built would provide better long-term value. The committee examined the floor plan from Otter Tail, which everyone agreed was impressive and well-thought-out. The floor plan featured thoughtful details like having the entrance arranged so service providers never had to go through the children's area, and cubbies large enough to fit car seats. Discussion continued about the width of their lot (approximately 100 feet by 165 feet) and whether the Otter Tail floor plan would fit. The committee determined that the floor plan (74 feet by 36 feet) would fit on the lot,

covering about 16.5% of the available space, well within the 25% coverage limit. The committee discussed reaching out to Hammers Construction, who worked on the Otter Tail project, to explore using similar plans. They agreed that they needed to name the project and create a budget of approximately \$700,000 to apply for grants, with potential grant funding of up to \$240,000-\$250,000.

Motion by Zitzow, seconded by Sonnenberg, to move forward with the Hammers Construction layout with contingency of approval from Hammers Construction to use their drawings and their architectural drawings. The motion passed unanimously.

The committee then discussed naming the project, considering options like "Vergas Area Housing Project," "Vergas Area Little Loons Project," and others. They emphasized the importance of naming it to avoid suggesting it's specifically for childcare to maintain flexibility for future use.

Motion by Zitzow, seconded by Sonnenberg, to name the project "Vergas Area Housing Project". The motion passed unanimously.

Lammers stated she would proceed with contacting the Vergas Community Fund to start the fundraising process, and Gehring would work on grant applications. They estimated the total project cost at approximately \$700,000.

The committee also discussed changing the date of the next meeting due to several members being unable to attend on March 4th. After discussing various dates, they agreed to reschedule.

Motion by Perry, seconded by Sonnenberg, to change the next meeting date to 5:30 PM on March 18<sup>th</sup>. The motion passed unanimously.

#### **Adjournment**

Motion by Sonnenberg, seconded by Perry, to adjourn the meeting at 6:30 PM. The motion passed unanimously.

#### **Council Recommendations**

None.

#### **Follow Up Actions**

- Lammers: Contact the Vergas Community Fund to start the fundraising process for the Vergas Area Housing Project
- Gehring: Put together the grant application for the daycare/duplex project
- Gehring: Contact Hammers to get updated cost numbers and confirm if their construction layout/architectural drawings can be used
- Gehring: Wait for poll results to schedule first onboarding meeting with First Children's Finance (first/second week of March)
- Planning Commission: Discuss potential ordinance change regarding conditional use permit requirements for home-based daycares at the 23rd meeting
- Gehring: Applying for grant (noted \$1.9M total funds available, with potential \$240-250K maximum award)

City of Vergas Planning Commission Minutes  
Monday, January 26, 2026 at 6:00 pm  
Government Services Building and Zoom

The City of Vergas Planning Commission held a regular hybrid meeting on Monday, January 26, 2026, on Zoom and at the Vergas Government Services Building.

2025	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Alex Ohman, Chair	A											
Bruce Albright, Liaison	P											
Dave Johnston, Member	P											
Rebecca Hasse, Member	P											
Jim Courneya, Member	P											
Julie Lammers, Clerk-Treasurer	P											
Mike Dufrane, Utilities Superintendent	P											

*P: Present. A: Absent N/A: No meeting*

**Call to Order**

Albright called the Planning Commission meeting to order at 6:00 PM.

**Agenda Additions or Deletions**

None.

**Positions**

***Chair***

Motion by Hasse, seconded by Courneya, to elect Ohman as the Chair. The motion passed unanimously.

***Vice Chair***

Motion by Hasse, seconded by Courneya, to elect Albright as the Vice Chair. The motion passed unanimously.

**Set Time, Place and Date of Regular 2026 Meetings**

The commission discussed continuing their traditional meeting schedule. Albright noted that meetings are held as needed rather than monthly, and the council has budgeted for approximately 10 meetings per year.

Motion by Courneya, seconded by Johnston, to continue meeting on the fourth Monday of each month at 6:00 PM at the Government Services Center as needed. The motion passed unanimously.

**Minutes**

Albright noted minor corrections to the minutes, including a spelling error for a name and an address correction.

Albright provided context about the Sonnenberg conditional use permit discussed at the October meeting, explaining that the permit allowed them to operate Marlo Motors from their "shouse" in Lawrence Lake Acres with several conditions. No vehicles would be kept on the property, and only a small sign would be displayed. He explained the conditions were established to address neighborhood concerns about bringing a commercial business into a residential area, with the permit being revocable if conditions were violated.

Motion by Johnston, seconded by Courneya, to approve the October 27, 2025 minutes with the noted corrections. The motion passed unanimously.

**Status of Council Recommendations**

Albright reported that the City Council approved the conditional use permit for Paul and Deb Sonnenberg for Marlo Motors to operate out of their property in Lawrence Lake Acres with all the recommended conditions. This was approved at the Council's November 18, 2025 meeting.

## **Construction Permits**

### ***Active Construction Permits***

Albright explained to new member Johnston that simple permits (like window replacements) are administratively approved by the Clerk-Treasurer to prevent delays, while more substantial projects come before the Planning Commission. Courneya and Albright confirmed they had updated the active construction permits list during a recent review.

### ***Approved by Clerk-Treasurer Permit***

Lammers reported approving a permit for 235 East Frazee Avenue for an inside remodel and doors, but noted that the sign portion of the permit remained unapproved pending design changes to comply with Minnesota State Cannabis regulations. The Commission discussed that this property, formerly Big Jim's Drive-In, would be Vergas' new cannabis dispensary pending licensing. Discussion ensued regarding the store's location near a park, with Lammers explaining that the Planning Commission had previously decided to allow any type of business in the commercial district. She also noted that no property in Vergas is more than 500 feet from a park, making the state's distance requirements impossible to satisfy within city limits.

### ***Conditional Use Permit***

#### **303 Altona Avenue**

Lammers explained that this property was recently purchased by EDA/HRA (Economic Development Authority/Housing and Redevelopment Authority) to build two homes for daycare facilities. She clarified that EDA/HRA would not operate the daycares but would rent to daycare operators. A conditional use permit is required for daycare operations in a residential area. Lammers noted that the City Council had waived the standard \$400 fee for the conditional use permit. She recommended scheduling the public hearing during a regular meeting to save costs and suggested it could be included in the newsletter to save on mailing expenses. The commission discussed the timing, with Albright, speaking from his EDA position, noting that while the property had been acquired, many details remained unresolved including financing for the estimated \$500,000-600,000 project. Despite these uncertainties, the commission agreed that obtaining the conditional use permit early would be beneficial for grant applications and fundraising efforts.

Motion by Courneya, seconded by Johnston, to schedule a public hearing for the daycare conditional use permit at the next regular meeting. The motion passed unanimously.

Albright shared that the EDA would be touring Perham and New York Mills daycare facilities to gather information about design considerations and operational requirements. He noted the complexity of daycare regulations, including requirements for separate playgrounds, sick rooms, and laundry facilities.

## **Old Business**

### ***Nuisance Properties***

Lammers reported no significant updates on nuisance properties, except that property owner on 350 S Pelican has signed an agreement stating his garage would be removed by May 1st.

Albright explained the city's three-step nuisance property enforcement process for new member Johnston:

1. First notification letter with photo evidence and applicable ordinance
2. Second letter with a \$40 fine if not corrected
3. Final letter from the city attorney with potential further action

### ***City Ordinance Update***

Lammers reported that ordinance updates had been completed based on commission discussions, but she still needed to incorporate older ordinances. She anticipated resuming this work after meeting state requirements due at the end of the month. Albright explained that the current ordinances are disorganized, with no continuous numbering or comprehensive index. The updated version would include an index and proper formatting to keep everything in order when changes are made.

## **New Business**

### ***Vergas Comprehensive Plan 2036 - 2025 Update***

Lammers presented the updated comprehensive plan with progress notes. She explained that 2023 items are in regular print, 2024 items in bold, and 2025 items will be in italics to track progress by year. Moving forward, they plan to update the document throughout the year rather than waiting until the end of the year. Lammers requested commission members to review the document and inform her of any missing items that should be added to the update. Albright explained that the plan, adopted in 2022, covers a 15-year period through 2036 and was developed with extensive public input. He noted the importance of tracking progress on community goals and periodically reassessing whether certain goals remain relevant.

## **Adjournment**

Motion by Hasse, seconded by Johnston, to adjourn the meeting at 6:40 PM. The motion passed unanimously.

Recorded by Rachel Nustad (assisted by ClerkMinutes)

Secretary,  
Julie Lammers, CMC  
Vergas City Clerk-Treasurer

## **Council Recommendations**

None.

## **Follow Up Actions**

- Lammers: Approve the sign permit for 235 East Frazee Avenue after receiving a copy of the updated quote from the applicant.
- Planning Commission: Hold a public hearing for the conditional use permit for the daycare centers at 303 Altona Avenue at the next regular meeting.
- Lammers: Continue updating the city ordinances by incorporating old ordinances and amendments; resume work after state requirements are submitted by end of month.
- All Planning Commission members: Review the updated Vergas Comprehensive Plan and notify Lammers of any missed items to be added.
- Planning Commission: Track 2026 progress items in the Comprehensive Plan as they are completed.

CITY OF VERGAS  
 Event Center Advisory Minutes  
 Vergas Event Center & Zoom Teleconference  
 3:00 P.M. on Wednesday, February 11, 2026

2025	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
James Stenger, Council Appointment	P	P										
Vanessa Perry, Member	A	P										
Rachel Nustad, Member	P	P										
Robert Jacoby, Member	P	P										
Jay Norby, Member	A	P										

*P: Present. A: Absent N/A: No meeting*

**Call to order**

The meeting was called to order by Stenger at 3:00 PM.

**Additions and Deletions**

None.

**Minutes**

Motion by Stenger, seconded by Perry, to approve the minutes from January 14, 2026. The motion passed unanimously.

**Status of Recommendations to City Council**

None.

**Income and Expense**

A new spreadsheet tracking event rentals and income was presented. It was explained that this document would be regularly updated with new bookings and revenue to give the board visibility into events and income being generated. This spreadsheet is in addition to, not a replacement for, regular financial reports.

**Rental**

**Events to raise awareness**

Nustad presented an idea for hosting board game nights for children during winter months when the facility has less activity. The concept, tentatively called "Board Kids," would provide tables with various board games, potentially selling concessions or charging a nominal admission fee. The Lions Club could potentially be involved to help. Stenger and Nustad also discussed reviving the idea of hosting an '80s prom event at the center. This event would showcase the venue's capabilities, allow for promotional photos, and serve as a fundraiser. The target timeframe would be around the same time next year. A radio ad for the Event Center began broadcasting that day on station 104.1.

**Rental Form**

Stenger reported that he and Nustad are working on updating the rental form to address rate discrepancies. They expect to have a finalized form for the next meeting. Since it's after the first of the year, public notices about rate changes will be required.

**Evening Zumba**

Nustad informed the board that the evening Zumba group has decided to cancel their sessions due to cost concerns and has relocated. The morning Zumba group will continue to use the Event Center. Nustad noted that evening Zumba brought in \$645 in revenue for 2025. Board members discussed the situation but concluded there wasn't much that could be done. At \$15 per class, the fee was already considered reasonable, especially compared to similar fitness classes in the area that charge the same amount for individual attendance. The board acknowledged that while they would prefer to offer the space at lower rates for community activities, the operational costs and need for revenue made this impractical.

## **Building Review**

### **Cooler**

The board discussed the status of the coolers. Jacoby inquired whether there had been any freezing issues since the previous incident at the Fireman's Banquet. There was uncertainty about whether the coolers are currently running constantly or turned on only before events. The discussion included the energy efficiency of the coolers, with Perry noting that they use relatively little electricity when not frequently opened. The board considered having the coils cleaned as maintenance, with suggestions to ask Brian Perry or possibly the city maintenance employees before considering a professional service, which could cost around \$500. Jacoby expressed hesitation about investing significant money in the coolers if they aren't frequently used.

### **Stage**

Stenger reported that he had received quotes for stairs for the front of the stage. The options include stairs that fold up compactly (to about 8 inches) for storage, with one version on wheels and one without. The board briefly discussed Perry's previous idea about removable railings for safety, though no decisions were made on this feature.

### **Policy**

Stenger explained that after the previous meeting, there was discussion with the city council about policy changes, particularly regarding safety concerns and the process for addressing them. Nustad provided both the current policy and a draft of proposed changes for the board to review.

The board discussed several specific points in the policy document:

1. A suggestion to modify section 5(e) to broaden the city maintenance staff's responsibilities from "setting up chairs for funerals and public hearings" to "event set up and tear down as needed" to avoid potential pushback on non-funeral events.
2. Concerns about the security requirements for events, including inconsistency in application and questions about effectiveness. Perry noted that the security guards have limited authority and questioned their value. Some members suggested exploring the history and origin of the security requirement (possibly dating back to 2001 or earlier) and whether it could be made optional rather than mandatory.

The board decided to postpone making recommendations on the policy until members had more time to review the documents thoroughly.

### **Adjournment**

Motion by Jacoby, seconded by Perry, to adjourn the meeting at 3:30 PM. The motion passed unanimously.

Respectfully submitted,

Rachel Nustad, Deputy Clerk  
Event Center Coordinator  
(Assisted by ClerkMinutes)

### **Council Recommendations**

None.

### **Follow Up Actions**

- Nustad: Look into getting the coils cleaned in the cooler.
- Nustad: Look into the history and requirements for security at events (including when the requirement started and if it is mandated), and report back to the group.
- Stenger: Obtain and review quotes for stage stairs and decide on purchase.
- Stenger and Nustad: Finalize the updated rental form with possible rate changes and present at next meeting.
- Board: Review the draft policy document (with changes highlighted, if possible) and provide feedback at the next meeting.

**City Council**  
**2026 February Council Meeting**  
**Vergas Event Center & Zoom Id number 267-094-2170 password 56587**  
**6:00 PM on Tuesday, February 17, 2026**

**6. City Center Parking Lot**

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- A. Engineer Update
- B. Assessment Hearing

**City Council**  
**2026 February Council Meeting**  
**Vergas Event Center & Zoom Id number 267-094-2170 password 56587**  
**6:00 PM on Tuesday, February 17, 2026**

**8. Staff Reports**

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- A. Engineering Report
- B. Clerk Treasurer Report

**Files Attached**

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- Vergas Engineering Update Feb 2026.pdf
- 02.26 Clerk\_Treasurer\_Report.pdf
- TextMyGov Proposal Vergas city, MN.pdf

## Engineering Update – February 2026

Blaine Green, PE

After hearing feedback from the City's review, I see that I can improve communication on ongoing engineering work. I really like the idea of a monthly update and plan to use it to better share what we're working on and what's coming next.

### Ongoing Items:

- Parking lot:
  - Punchlist items (concrete walk) to be completed in spring
  - Final hearing in February
  - Project closeout to follow
- Keilley Shores development
  - Waiting on coordination from developer's engineer
- Lead Service Lines
  - Staff is sending me the last handful of services, and I've been entering them into the City GIS website.
- LRIP Grant
  - March 30<sup>th</sup> is typically when they announce awards

### Upcoming Items:

- Gravel Pit permitting
  - Flight scheduled for April
  - Report to follow

### On the radar:

- Project Priority List & Intended Use Plans (utilities)
  - Discuss at upcoming utility committee meeting
  - Identify system needs with staff
  - Develop a preliminary engineering report (PER)
- Street projects
  - Work with staff to identify needs

If you have any questions, you can give me a call at 320-335-5057, or email me at [blaine.green@widseth.com](mailto:blaine.green@widseth.com)

Thank you!

## Clerk-Treasurer Council Report

Date: February 2026

### TEXTMYGOV

Met with for a 15-minute meeting regarding an account with TEXTMYGOV.

This program will allow users to opt in with a phone number. You can have an unlimited number of users and send them to groups or map locations. See attached documents.

### Grants

#### OSHA Safety Grant-Received

Purpose: Panic button for city office, security cameras for office and shop

Grant Type: 50/50 match, up to \$10,000

Ordered with S&S Security Services

Security system is installed at the City Office; they have begun working on cameras at City Office and shop. This should be completed by end of February.

#### WCI Solar Grant-Received

Total Grant Approved: \$75,384.00 Received Funds:

Battery Backup Grant: \$28,896.23 (covers full cost)

Installation scheduled.

Otter Tail County rebate applied for. Giraffe Financial tax credits account created.

#### MDH Implementation Grant-Submitted

Wellhead Protection Plan is for a fence around the water plant.

\$15,000 grant with no match

Responses:

1) You applied for a Source Water Protection (SWP) Implementation grant in the Fall of 2025.

You received the points needed to qualify for funding and placed them on our priority wait list. *Availability of grant funds has been exhausted and your application is placed on a waiting list.* At this time, it is undetermined when funding will become available. I will contact you when that is determined.

Once funds become available, you will receive a grant agreement via DocuSign for your review and signature.

2) We are pleased to announce that funding is now available for your grant.

You will receive a grant agreement via DocuSign for your review and signature in the coming weeks. Once we receive your signed grant agreement, you will be notified with a copy of your fully executed grant agreement. It is very important that you do not begin any work or incur any expenses until you receive an executed grant agreement signed by you and MDH. You may begin work and start incurring expenses for your project once you receive a fully executed grant agreement. Your grant agreement will expire 2/26/2027.

### Current Projects

- EDA/HRA: Daycare initiative
- Park: City Sales Tax
- Planning Commission: Ordinance book update for review and recommendation to Council
- MN Department of Health Lead/Copper/Galvanized Service Line Reports (11 left)
- 2025 Audit Information to Auditor
- City Parking Lot Assessments
- Cannabis Permit with the State of MN



WWW.TEXTMYGOV.COM



# PROPOSAL

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DATE: 02/11/2026

**Prepared For:**

Vergas city MN  
111 West Main Street, Vergas, MN, USA

**Prepared By:**

Lincoln Jeffery | Account Executive  
TextMyGov

# INTRODUCTION TO TEXTMYGOV

TextMyGov was developed to open lines of communication with local government agencies and citizens. The system works 24 hours a day and easily connects with your website and other communication methods.

Using the regular messaging app on any smartphone, the smart texting technology allows the citizen to ask questions and get immediate responses, find links to information on the agency's website, address problems, report any issues and upload photos.

According to the Pew Research Center, 97% of smartphone owners text regularly. The technology analysts at Compuware reported that 80 to 90% of all downloaded apps are only used once and then eventually deleted by users.

## TEXTMYGOV SOLUTION

Summary for: Vergas city

FEATURE	SOLUTION
<i>FIND INFORMATION</i>	<ul style="list-style-type: none"><li>TextMyGov allows citizens to find information using our smart texting solution. Citizens can ask questions via text messages and receive automatic responses based on Key Words in their initial text.</li></ul>
<i>REPORT ISSUES</i>	<ul style="list-style-type: none"><li>TextMyGov allows citizens to report issues such as "Stray Dog" or "Pothole" via text messaging from their phone.</li><li>Agencies can customize a text thread to help gather important information such as citizen name, address of reported issue, and even allow citizens to send a picture of the reported issue.</li><li>TextMyGov will automatically notify the correct department of the reported issue via email or text message.</li></ul>
<i>SEND ALERTS</i>	<ul style="list-style-type: none"><li>TextMyGov gives agencies the ability to send out notifications/alerts as a text message.</li><li>Agencies can create different notification groups like "City Events" or "County Elections" and citizens can choose what notification group to Opt-In to.</li><li><b>Enables Vergas to deliver rapid, geo-targeted alerts for emergencies, utility issues, and city notices, increasing resident awareness while reducing staff workload and inbound calls.</b></li></ul>
<i>DEMO RECORDING</i>	<ul style="list-style-type: none"><li><a href="#">Intro to TextMyGov   Vergas City, MN</a></li></ul>

# COST BREAKDOWN

This quote represents a subscription to TextMyGov with an initial TERM Three-Years. The agreement is set to be automatically renewed after the initial TERM. Support and services fees may increase in subsequent years but will increase no more than 5% per year. See below for the package price and other details.

Terms and conditions can be printed and attached as **Exhibit A** or viewed at [www.TextMyGov.com/terms](http://www.TextMyGov.com/terms)

## Package Details

	Price	Billing
<b>TextMyGov Service:</b> <ul style="list-style-type: none"> <li>TextMyGov web-based software</li> <li>Local phone number</li> <li>Database Import</li> <li>Short code number (outgoing messages)</li> <li>Unlimited users &amp; departments</li> <li>Unlimited support for every user</li> <li>10 GB managed online data storage</li> <li>10000 text messages per year</li> </ul>	\$1,500.00	Annual
<b>Setup Fee</b>	\$750.00	One-Time
<b>First year total</b>	\$2,250.00	Year One
<b>Total Recurring</b>	\$1,500.00	Annual

## TERMS

- This is a Three-Year term. Prior to the expiration of the initial Three-Year term, either party may terminate this Agreement by providing the other party with a sixty (60) days written notice prior to the agreement signature date. Should Customer terminate the agreement the remaining balance will immediately become due. This agreement shall automatically renew for successive one (1) year terms unless either party provides notice of termination or non-renewal no less than sixty (60) days prior to expiration of the then-current term.
- Customer will be invoiced on an annual basis. Invoices will be sent by mail and email to the addresses listed on the Agreement Confirmation page of this agreement. Terms are net 30 days from the date of the invoice.
- Cancellation requires a 60-day written notice
- Customer is required to put TextMyGov widget on agency's website
- This proposal is valid for 30-days
- Customer is required to provide a copy of W-9.
- The TextMyGov widget will remain on the agency's website for the duration of the agreement. If the widget is not placed on the City/County website within 60-days, the Agency agrees to pay an additional \$1,000 towards setup costs (this is to cover TextMyGov's time). See more information on our widget by clicking visiting [textmygov.com/textmygov-widget/](http://textmygov.com/textmygov-widget/)

## ADDITIONAL SERVICES

<b>Service</b>	<b>Price</b>	<b>Billing</b>
<b>Enhanced Media &amp; Care Package</b> <ul style="list-style-type: none"> <li>Marketing materials and expert implementation to promote and optimize TextMyGov, see us here for additional information. Marketing flyers, and materials produced by the company will reflect the colors, fonts, and logos of Text My Gov.</li> </ul>	Price based on Population. Please contact your Account Executive for more details.	Annual
<b>Additional Storage</b> <ul style="list-style-type: none"> <li>100 GB of Storage</li> </ul>	<b>\$250 per unit</b>	Annual
<b>Additional Text Messages</b> <ul style="list-style-type: none"> <li>25,000 additional text messages</li> <li>50,000 additional text messages</li> <li>100,000 additional text messages</li> </ul>	\$300 \$550 \$750	Annual
<b>Database</b> <ul style="list-style-type: none"> <li>Database of your local residence to improve citizen engagement and opt-in rate.</li> <li>Database could have already been included in the original quote. Please refer to the “Package Details” section.</li> </ul>	Price based on Population. Please contact your Account Executive for more details.	Annual
<b>Citizen Surveys</b> <ul style="list-style-type: none"> <li>The Citizen Surveys add-on allows municipalities to collect feedback from residents via SMS, email, or social media. This feature enables automated survey distribution real-time response tracking, and data insights to enhance community engagement</li> </ul>	Price based on Population. Please contact your Account Executive for more details.	Annual

## IMPLEMENTATION

### GETTING STARTED

- After the basic service agreement is executed, a project manager will be assigned to assist the client through implementation. A local phone number will be obtained for use with TextMyGov.

### CONFIGURATION

- The project manager will work with the client to customize interactive responses, create automation flows, and keyword lists. Training will be provided on how to quickly create and edit data.

### MEDIA KIT

- Advertising materials will be provided to the client, including an infographic for the website and downloadable flyer for social media and other communication methods used by the agency.

### UNLIMITED TRAINING AND SUPPORT

- After initial implementation and training, unlimited on-going support is included. Our experts are available M-F 6am-5pm

## TEXTMYGOV PROPOSAL

# ADDITIONAL SERVICES

MST.

**City Council**  
**2026 February Council Meeting**  
**Vergas Event Center & Zoom Id number 267-094-2170 password 56587**  
**6:00 PM on Tuesday, February 17, 2026**

**9. Information & Announcements**

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Meetings and Events:

- A. 2026 Board of Review, Wednesday, April 8, 2026, 1:00 pm Vergas Event Center Council Chambers
- B. Trail Masterplan Meeting with Hobart Township, Hobart Township Hall, April 14, 2026, at 7 pm.
- C. Household Hazardous Waste Day, Thursday, June 25, 2026, 10:00 - 2:00 Vergas Event Center

Parking Lot

Employee 2026 Trainings:

- A. MN Clerk's and Finance Officers – March 24-27, 2026, in Brooklyn Center (Clerk-Treasurer)
- B. LMC, Loss Control Workshop April 1, 2026, in Alexandria (Utilities Superintendent, Maintenance Operator, Clerk-Treasurer)
- C. Municipal Beverage Association (MMBA) April 18 - 21, 2026, Cragun's Resort (Liquor Store Manager)
- D. League of MN Cities Annual Conference June 24-26, 2026, in Rochester (Mayor, Council & Clerk-Treasurer)
- E. 16th Annual Operator Expo, (MN Rural Water) August 25, 2026, (Utilities Superintendent and Maintenance Operator)
- F. Clerk's Advanced Academy- September 10-11, 2026, in Otsego, MN (Clerk-Treasurer)