

**CITY OF VERGAS  
COUNCIL MINUTES  
VERGAS EVENTS CENTER & ZOOM  
Tuesday, January 20, 2026**

The City Council of Vergas met at 6:30 pm, on Tuesday, January 20, 2026 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, we 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 this spring.

#### ***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 hook up 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 review of 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.

### **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