

City of Hayward Council Meeting Minutes

Monday August 11, 2025

7:00 p.m. Hayward Community Hall

Mayor Anthony Cox called the regular meeting of the Hayward City Council to order at 7:07 p.m. on Monday, August 11, 2025.

COUNCIL MEMBERS PRESENT:

Mayor: Anthony Cox

Councilors: Darwin Dolph, Gene Flaskerud, Derek Lerum, Mark Bangert

STAFF PRESENT:

City Clerk/Treasurer: Kathy Aase

Operations Director: Travis Reichl

The meeting opened with the Pledge of Allegiance.

Councilor Dolph motioned to approve the 8-11-2025 Council Meeting Agenda. Councilor Flaskerud seconded. The motion carried.

Councilor Dolph motioned to approve the 7-14-2025 Hayward City Council Meeting Minutes. Councilor Bangert seconded. The motion carried.

FIRE DEPARTMENT UPDATE:

In Fire Chief Eric Knutson's absence no fire department updates.

Mayor Cox reminded council and residents in attendance that the annual Hayward Fire Department picnic fundraiser will be held on Friday, September 5, 2025. Everyone is welcome to attend!

COMMUNITY FORUM:

Resident Mike Hansen informed council there is a faded American flag that needs to be replaced.

Mr. and Mrs. Ray Hemenway, Jr., presented a sample of a severely rusted and clogged filter from their home's water filtration system, highlighting ongoing concerns about water quality. Council members responded by noting that they have been actively working with ISG Engineering over the past numerous months to address the issue.

Representatives from ISG informed attendees that the City has submitted a grant application to fund as much as 80% of a new water filtration and treatment system. They further explained that Hayward ranks high among Minnesota municipalities identified as needing financial support for water infrastructure improvements.

According to ISG, the Minnesota Department of Health has estimated the total cost of the proposed system at approximately \$3.9 million. ISG believes a \$3 million solution is feasible for the scope of the project. Final grant funding will be determined based on several criteria, including current usage rates and median household income - lower median income equals a higher priority for aid.

Affordability considerations were reviewed during the discussion. Based on **current preliminary** financial data, the City of Hayward would need to contribute approximately \$659,513 toward the proposed water infrastructure project. The remaining \$2.4 million is expected to be covered through grant funding from the Minnesota Public Facilities Authority. To support long-term sustainability, the City would need to recover its share through quarterly water payments from residents and businesses. This would result in an estimated increase of \$53.75 per month per account, in addition to current charges.

Councilor Flaskerud inquired whether projected operating costs had been incorporated into the preliminary estimates. ISG Engineering representatives confirmed that such costs were included.

To ensure proper financial tracking, the City will need to establish a designated account under the Water Fund within the Capital Expenditure framework. Additionally, it was recommended that the City begin setting aside reserve funds by allocating \$0.50 for every 1,000 gallons used beyond the initial 4,000 gallons per billing cycle.

A tour of the city's current water facilities and a workshop meeting were held prior to the regular City Council meeting from 5 – 7 p.m.

ISG and the City are currently awaiting the release of the Intended Use Plan (IUP). Once issued, the engineering team will have six months to develop the project design. In accordance with public procurement requirements, the project must be publicly bid. ISG will guide the City through each phase of this process. If, upon completion of the design and bidding steps, the project is deemed not feasible for the City of Hayward, the City will retain the option to withdraw.

OPERATIONS UPDATE:

Operations Director Travis Reichl provided an update on the following items:

- Asbestos abatement at the old school site has been completed. The base structures have been removed, and the next steps include extracting the remaining foundation and clearing out the remaining concrete.
- Freeborn Construction has completed tree removal in the city park, addressing all remaining storm damage. Stump grinding has also been finalized as part of the cleanup efforts.
- Chip sealing is done for the year.

Clerk Aase requested clarification from the Council regarding the appropriate quarterly water/sewer surcharge for Willis Pfeiffer's former building. She noted that the property owner currently pays \$14.65 per quarter, a rate established prior to her tenure. The Council affirmed that all property owners are required to pay the full surcharge cost of \$46.25 per quarter, regardless of whether or not they use it; and that the reduced rate of \$14.65 is no longer acceptable.

The deteriorating condition of the building located at 100 Front Street—formerly owned by Willis Pfeiffer, which sits prominently in the center of town, directly across from Nick's Meats, was then brought up. The Clerk was directed to issue a formal letter to the current property owner addressing both the surcharge adjustment and the ongoing concerns regarding the building's condition.

Operations Director Travis Reichl informed the Council that the City of Albert Lea will be replacing its Toro lawn mower, which currently has over 4,500 operating hours. He noted that purchasing a comparable new unit could cost approximately \$120,000. The mower features an 11-foot cutting swath, significantly reducing mowing time.

Councilor Flaskerud stated that no funds have been allocated in the current budget for the purchase of either a new or used mower, and recommended consideration be deferred to the 2026 budget cycle.

The Council proceeded to vote on whether to authorize Reichl to submit a bid for Albert Lea's used mower. Councilors Flaskerud, Bangert, and Lerum voted "no," while Councilor Dolph abstained.

OLD BUSINESS:

Council directed Reichl to contact METCO Fuel Solutions, and other companies who submitted bids for cleaning up the petroleum leakage that was found when the old fuel tank was removed from the old school property.

ORDINANCE AND RESOLUTIONS:

Council approved a series of ordinances and resolutions consistent with the Minnesota Basic Code of Ordinances (MBC) adoption process. All statutory requirements for notice and public posting were met prior to council action.

Ordinance Actions and Substitutions to the MBC

The Council adopted the Minnesota Basic Code of Ordinances in full, with the following previously enacted ordinances substituted in place of corresponding MBC provisions:

- **Ordinance 001-2023**

Amends the zoning classification for residents owning property along a designated portion of 810th Avenue. Motion by Dolph. Seconded by Bangert. Approved unanimously. Ordinance was declared duly adopted and will be published as required by law.

- **Ordinance 001-2024**

Establishes an interim moratorium on the establishment and operation of cannabis businesses within the City of Hayward. Motion by Dolph. Seconded by Flaskerud. Approved unanimously. Ordinance was declared duly adopted and will be published as required by law.

- **Ordinance 002-2024**

Amends Section 91.01 of the City Code relating to non-domesticated animals. Motion by Bangert. Seconded by Dolph. Approved unanimously. Ordinance was declared duly adopted and will be published as required by law.

- **Ordinance 001-2025**

Amends Title XV, Chapter 151 of the Hayward City Code regarding cannabis uses and lower potency hemp edible uses. Motion by Bangert. Seconded by Lerum. Approved unanimously. Ordinance was declared duly adopted and will be published as required by law.

- **Ordinance 002-2025**

Adopts the Minnesota Basic Code of Ordinances, 2023 Edition, in its entirety as the official Code of Ordinances for the City of Hayward. This includes all supplements and incorporates amendments, restatements, revisions, updates, codifications, and compilations of relevant city ordinances. Motion by Dolph. Seconded by Flaskerud. Approved unanimously. Declared duly adopted and will be published in accordance with law.

- **Ordinance 003-2025**

Adopts a Schedule of Fees and Charges for various city services and designations. Motion by Lerum. Seconded by Bangert. Approved unanimously. Ordinance was declared duly adopted and will be published as required by law.

Also approved were two resolutions related to the adoption of the MBC and its supplements:

- **Resolution 2025-13:** A resolution adopting the provisions of MBC §§ 113.03–113.07 concerning the regulation of peddlers and solicitors. 1) Dolph 2) Bangert
- **Resolution 2025-14:** A resolution adopting the provisions of MBC § 10.98, along with a schedule of offenses and voluntary administrative penalties. Approved 1) Dolph 2) Lerum

COUNCIL REPORTS:

Councilor Bangert, serving as Hayward’s designated animal control officer, reported multiple complaints regarding a dog running at large, defecating on private property, and nearly causing a fall involving an elderly resident. Clerk Aase was instructed to issue a formal letter to the dog’s owner outlining relevant city ordinances and the potential consequences for noncompliance.

APPROVED 9-8-2025

Councilor Lerum reported that a resident on West 2nd Street appears to be cultivating more cannabis plants than legally permitted, with the plants visible from the public right-of-way. Per state regulations, such cultivation must be enclosed and not visible from the street. In his role as compliance officer, Lerum will follow up directly with the homeowner to address the issue. Councilors Flaskerud, Dolph, and Mayor Cox had nothing further to report.

FINANCIAL REPORTS:

Council reviewed and approved payment of bills over \$500. Councilor Lerum motioned to approve payments for bills over \$500. Councilor Dolph seconded. The motion carried.

Councilor Lerum motioned to approve the month of July 2025 Deposit Detail, Check Detail, YTD Balance Sheet, and the YTD Budget vs. Actual Report as prepared. Councilor Dolph seconded. The motion carried.

Councilor Bangert motioned to adjourn the meeting. Councilor Dolph seconded. The motion carried. Having no further business, Mayor Cox adjourned the meeting at 8:57 p.m.

Respectfully Submitted,
Kathy Aase, City Clerk/Treasurer