

CITY OF SAINT PETER, MINNESOTA
OFFICIAL PROCEEDINGS
MINUTES OF THE CITY COUNCIL MEETING
FEBRUARY 13, 2023

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Saint Peter was conducted in the Governors' Room of the Community Center.

A quorum present, Mayor pro tem DeVos called the meeting to order at 7:00 p.m. The following members were present: Brad DeVos, Darrell Pettis, Keri Johnson, Ben Ranft, Dustin Sharstrom, and Emily Bruflat. Absent was Mayor Shanon Nowell. The following officials were also present: City Administrator Todd Prafke, Assistant City Attorney Steven Winkler, and City Engineer Jeff Domras.

Approval of Agenda – A motion was made by Ranft, seconded by Sharstrom, to approve the agenda. With all in favor, the agenda was approved.

Approval of Minutes – A motion was made by Johnson, seconded by Pettis, to approve the minutes of the January 23, 2023 regular City Council meeting with a correction to the vote on the 2023-2024 Wastewater Fund budgets to reflect Mayor Nowell had voted nay. With all in favor, the minutes were approved as corrected. A complete copy of the minutes of the January 23, 2023 regular City Council meeting is contained in the City Administrator's book entitled Council Proceedings 20.

Consent Agenda – In motion by Ranft, seconded by Sharstrom, Resolution No. 2023–23 entitled "Resolution Approving Consent Agenda" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-23 is contained in the City Administrator's book entitled Council Resolutions 24.

Hospital Equipment Purchase: Surgical Table – River's Edge Hospital CEO Paula Meskan addressed the Council seeking authorization to purchase a new surgical table in the amount of \$136,230.50. Meskan noted the request was unusual in that the surgeon requesting the table had asked for a trial first, but the vendor only offered two options: a 45 day right of refusal trial of the table or actual demo of the table and then return the of table and submission of an order to purchase which would substantially delay the purchase and add additional costs for shipping the table back and forth at a cost of \$5,200 each time. Meskan requested the Council authorize purchase of the table under the 45 day right of refusal option with funding from Hospital funds. Meskan also noted that the vendor would provide a three-year service agreement on the fully automatic table at an additional cost of \$47,000. In motion by Pettis, seconded by Bruflat, Resolution No. 2023-24 entitled "Resolution Approving Purchase Of Surgical Table For River's Edge Hospital And Clinic" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-24 is contained in the City Administrator's book entitled Council Resolutions 24.

2023 Park Row Street & Utility Improvements Project Bid Solicitation – Public Works Director Moulton and City Engineer Domras reported the plans and specifications for the 2023 Park Row Street and Utility Improvements Project had been completed and requested authorization for receipt of bids for the project. Moulton reminded Councilmembers that the City had commissioned a feasibility study that found the project to be necessary, cost-effective and feasible and a public hearing had been conducted as required under Minnesota Statutes 429. Moulton also reported that staff continued to meet with affected property owners.

Councilmember Pettis questioned if the work the City Council was doing on the City's assessment policy had been factored into the assessment roll and asked if the bid letting allowed for consideration of bids after thirty days. Moulton noted the bid documents require bidders to maintain their bids for a period of sixty days after opening. City Administrator Prafke reminded Councilmembers that additional discussion on the City's assessment policy was ongoing and would, in fact, be included on the February 21st workshop agenda.

In motion by Bruflat, seconded by Johnson, Resolution No. 2023-25 entitled "Resolution Approving Plans And Specifications And Ordering Solicitation Of Bids For 2023 Park Row Street & Utility Improvement Project" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-25 is contained in the City Administrator's book entitled Council Resolutions 24.

Parks Master Plan Request For Proposals Authorization – Public Works Director Moulton reported the City's current Parks Master Plan had been created by staff and adopted by the Council in 2016. Moulton recommended formal written proposals be accepted for creation of an updated plan that would be a guiding document for future use and development of existing parks for the next fifteen years. Moulton noted the plan development was expected to cost

\$50,000 and be funded by American Recovery Plan funds, would be reviewed by staff and the Parks Board before a recommendation came to the Council on acceptance of a proposal at the March 27th regular meeting.

City Administrator Prafke noted that with the City's comprehensive plan being discussed for upgrade, now was the ideal time to redo the Parks Master Plan as much of the Parks Plan would be incorporated into the comprehensive plan.

In motion by Ranft, seconded by Sharstrom, Resolution No. 2023-26 entitled "Resolution Authorizing Receipt Of Formal Written Proposals To Develop A City of Saint Peter Parks Master Plan" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-26 is contained in the City Administrator's book entitled Council Resolutions 24.

2023-2024 Electric Fund Budgets/Rate Increases – Finance Director Vogel presented the proposed 2023 (\$13,738,333) and 2024 (\$15,827,898) Electric Fund budgets and recommended rate increases (6%) in each year of the budget. Vogel noted that almost \$1 million in capital expenses were included in the 2023 budget and almost \$2.4 million in the 2024 budget and pointed out that the recommended rate increases were due to Southern Minnesota Municipal Power Agency (SMMPA) implementing a 15.6% increase effective November 1, 2022. Vogel recommended the 2023 rate increase be effective April 1, 2023 and the 2024 increase be effective January 1, 2024.

Councilmember Ranft questioned why the E-1 Residential rate was not the same flat six percent rate increase recommended in other categories. Vogel responded that the rate report completed by Dave Berg Consulting recommended elimination of the transmission charges and that the residential rate was slightly over 6% to make up the difference.

City Administrator Prafke indicated that should the Council wish to keep the residential rate at a flat six percent (6%), the change could be made.

Councilmember Johnson expressed acknowledgement for the financial pinch rate payers are experiencing and noted the Council's desire to do gradual increases as opposed to huge increases all at once. Johnson also noted that it was important to ensure the City made smart investments in equipment and people to ensure the City's electric system was reliable.

Mayor pro tem DeVos reminded the public the Council had pored over the proposed budgets in an attempt to avoid rate increases, but SMMPA's rate increase to combat spiking energy prices, combined with a lack of reserves in the Electric Fund, had led to the recommendation to increase rates for City utility customers.

In motion by Johnson, seconded by Pettis, Resolution No. 2023-27 entitled "Resolution Adopting The 2023-2024 Electric Fund Budgets" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-27 is contained in the City Administrator's book entitled Council Resolutions 24.

In motion by Pettis, seconded by Johnson, Resolution No. 2023-28 entitled "Resolution Adopting Updated Electric Rate To Be Effective For Service April 1, 2023 And Updated Rates To Be Effective January 1, 2024" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-28 is contained in the City Administrator's book entitled Council Resolutions 24.

2023-2024 Stormwater Fund Budgets/Rate Increases – Finance Director Vogel recommended adoption of the 2023 (\$1,411,081) and 2024 (\$1,416,852) Stormwater Fund budgets and rate increases effective July 1, 2023 (\$28.59/acre) and July 1, 2024 (\$30.02/acre). Vogel noted the proposed budgets include the additional \$100,000 transfer from the Wastewater Fund in each budget year as previously authorized by the City Council. Vogel also indicated that with the additional transfer, the Stormwater Fund reserve balance would be positive. City Administrator Prafke pointed out that any debt issuance in 2023 would have the first payment in 2024. In motion by Brufat, seconded by Ranft, Resolution No. 2023-29 entitled "Resolution Adopting 2023-2024 Stormwater Fund Budgets" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-29 is contained in the City Administrator's book entitled Council Resolutions 24.

In motion by Johnson, seconded by Ranft, Resolution No. 2023-30 entitled "Resolution Adopting 2023 And 2024 Stormwater Rate Schedule" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-30 is contained in the City Administrator's book entitled Council Resolutions 24.

Municipal State Aid Road Designation – Public Works Director Moulton and City Engineer Domras recommended modifications to the City's Municipal State Aid roadways by revoking

MSA designations for portions of Swift, Mulberry and Third Streets; and adding .75 miles of 361st Avenue between Broadway Avenue and Traverse Road. Domras reported the City was allowed to designate twenty percent (20%) of all roadways in the City as MSA routes and had been banking a portion of the City's MSA allocation for a number of years in order to fund future projects such as the unfunded portion of the \$2 million 361st Avenue project. Domras stated the City receives between \$500,000-\$600,000 in MSA funding each year.

City Administrator Prafke noted that revoking and adding roadways helps maximize MSA resources.

Mayor pro tem DeVos questioned if there were any "strings" to have MSA designation on a road. Domras responded that if MSA funding is used on a roadway and repairs or improvements are made to that roadway in the next 25 years, the MSA funds would need to be paid back.

In motion by Pettis, seconded by Sharstrom, Resolution No. 2023-31 entitled "Resolution Approving Modification To City Of Saint Peter's Municipal State Aid (MSA) Streets" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-31 is contained in the City Administrator's book entitled Council Resolutions 24.

Temporary Gambling License Application – City Administrator Prafke noted that nothing had been found in the background investigation to prohibit issuance of a Temporary Gambling License to the Last Man Club of Vietnam War Era for a raffle at the American Legion on March 29, 2023. In motion by Ranft, seconded by Bruflat, Resolution No. 2023-32 entitled "Resolution Approving Temporary Gambling License Application" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-32 is contained in the City Administrator's book entitled Council Resolutions 24.

Reports

Mayor's Report – Mayor pro tem DeVos had no reports.

Councilmember Sharstrom and Johnson reported on their attendance at the Coalition of Greater Minnesota Cities Legislative Action Day at the Capital where Sharstrom indicated he had met with Senator Frenz and Representative Brand to lobby for funding for Gorman Park, additional funding to offset inflation's impact on the Fire Station project; and changes to the Local Government Aid formula so additional LGA was provided to cities. Johnson noted that LGA was among the highest priority issues for the Coalition members and yet no increase in LGA had been included in any bills proposed thus far.

Ranked Choice Voting – City Administrator Prafke reported on the presentation provided to the City Council on Ranked Choice Voting and noted that the topic continues to be a state-wide legislative issue.

American Legion Post #37 Donation – City Administrator Prafke reported on the large donation received from the American Legion Post #37 to be used for senior activities.

City Administrator Prafke reminded Councilmembers that the February 20th workshop was being rescheduled for Tuesday, February 21st due to the President's Day legal holiday.

There being no further business, a motion was made by Ranft, seconded by Bruflat, to adjourn. With all in favor, the motion carried and the meeting adjourned at 8:01 p.m.

Shanon A. Nowell
Mayor

ATTEST:

Todd Prafke
City Administrator