

CITY OF SAINT PETER, MINNESOTA
OFFICIAL PROCEEDINGS
MINUTES OF THE CITY COUNCIL MEETING
MARCH 8, 2021

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Saint Peter was conducted in the Governor's Room of the Community Center and by virtual software on March 8, 2021. Under M.S. 13D.021, the City is able to conduct meetings by electronic means in the event of a state-wide emergency. Governor Walz has declared a state-wide peacetime emergency and as such the City Council meeting was conducted both in-person and remotely using GoToMeeting software.

A quorum present, Mayor pro tem Johnson (E) called the meeting to order at 7:00 p.m. The following members were present through the virtual platform: Councilmembers Shanon Nowell, Brad DeVos, Stephan Grams, and Emily Bruflat. The following members were present in the meeting room: Councilmembers Ed Johnson and Keri Johnson. Absent was Mayor Zieman. The following officials were also present: City Administrator Todd Prafke (in person), City Attorney James Brandt (in person) and City Engineer Jeff Domras (in person).

Approval of Agenda - A motion was made by Johnson (K), seconded by Nowell, to approve the agenda. With all in favor, the agenda was approved.

Approval of Minutes - A motion was made by Johnson (K), seconded by Bruflat, to approve the minutes of the March 8, 2021 regular City Council meeting. With all in favor, the minutes were approved. A complete copy of the minutes of the March 8, 2021 regular City Council meeting is contained in the City Administrator's book entitled Council Proceedings 19.

Public Hearing: North Third Street, Center and McLeod Streets From West St. Julien To 1,000 Feet North Project Assessments- Mayor pro tem Johnson (E) opened the public hearing on the proposed assessment of costs for the North Third Street, Center and McLeod Streets From West St. Julien To 1,000 Feet North Project at 7:03 p.m. City Administrator Prafke reviewed the Council's process for conducting a public hearing.

Public Works Director Moulton and City Engineer Domras reviewed the project and explained how the assessment roll was developed based on the City's assessment policy. Domras indicated the hearing was required as part of Minnesota Statutes 429 and that anyone who wished to appeal their proposed assessment must do so during the hearing or in submit in writing prior to the hearing. Domras also noted that property owners may request deferral of their assessment, based on the different reasons outlined in Statute using the same process.

City Administrator Prafke read an appeal letter submitted by Kari Leonard, owner of the property at 1420 North Third Street, which was also contained in the City Council packet for the meeting. Ms. Leonard also appeared in person at the hearing to state her opposition to the proposed assessment which she felt added "no special value to her property" as she already had sewer and water lines she had previously been assessed for and that she doesn't need the road in front of her home to be paved. Leonard encouraged the City Council to look at the equitable distribution of costs which she felt hadn't been done as she was one of the few property owners who already had water and sewer lines and had previously been assessed for those lines.

Chip Gay, owner of the properties at 1331 and 1321 North Third Street, stated the project was way overdue and the road was "horrible" but asked for a lowered interest rate and said that his proposed assessment of nearly \$20,000 was three-quarters of his yearly salary. Gay also requested that the project be modified to reduce the amount of right-of-way that will be restored to grass saying the previous owner of his property had paved the City-owned area for tenant parking and he doesn't want to lose that and then have to maintain the grass boulevard the City is planning to restore. City Administrator Prafke reminded Mr. Gay that the hearing was only on the proposed assessments and not the details of the project, but indicated Mr. Gay could visit with staff later on his issues.

Donna Hinden, owner of 1401 North Third Street, asked at what point interest is applied if assessments were deferred. City Administrator Prafke reported deferrals will be charged 0% interest during the deferral period which would be limited to a maximum of fifteen (15) years. Prafke pointed out that if the property is sold, transferred or deeded to someone, the deferred assessment must be immediately paid in full.

There being no further speakers, the hearing was declared closed at 7:18 p.m.

Consent Agenda - In motion by Nowell, seconded by Grams, Resolution No. 2021-40 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. 2021-40 is contained in the City Administrator's book entitled Council Resolutions 23.

North Third Street Center and McLeod Streets From West St. Julien To 1,000 Feet North Protect Assessments - Following the public hearing, City Administrator Prafke recommended adoption of the assessments. Councilmember DeVos asked why Ms. Leonard, if she already has replaced her sewer and water lines, would be assessed for it again. Public Works Director Moulton indicated that the Leonard property does have a water line, but when that was put in a number of years ago, the City allowed her to connect at that time in lieu of assessments and the assessments this time were for costs get that main to the end of her property. Moulton also noted that she was being given credit for the prior payments and discussions with the Leonard's were ongoing.

Councilmember Johnson (K) questioned what the City's response would be on the issue of equity and business impact and the interest rate as brought up by Ms. Leonard. City Administrator Prafke reported that for this project the interest rate is set at one percent (1%) over the cost of debt issuance as outlined in the assessment policy. Public Works Director Moulton reported staff and the contractor would work with the property owner to minimize disruptions to the businesses along the project route.

City Administrator Prafke stated staff is following the City's assessment policy and treating everyone equitably. Prafke noted that property owners in areas that are not developed to urban standards are always at risk for assessment of costs for future improvements and that those who live in fully developed areas of the community had already paid for those improvements. Finally, Prafke pointed out that staff had offered to forgive the remaining amount on the Leonard's old assessments but had been unable to agree on the amount with the property owner.

Johnson (K) also asked how many property owners had signed waivers of assessments. Moulton noted seventeen (17) had signed waivers and another two were in favor of the project, but didn't want to pay for it.

Prafke pointed out that the Council could choose to eliminate all of the assessments away if they wished, but doing so would shift the burden onto other tax payers. Prafke suggested following the assessment policy previously adopted by the City Council provides the appropriate balance.

In motion by Grams, seconded by Nowell, Resolution No. 2021-41 entitled "Resolution Adopting Assessments For North Third Street, Center and McLeod Streets From West St Julien To 1,000 Feet North Project" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2021-41 is contained in the City Administrator's book entitled Council Resolutions 23.

Donation (St. Peter Freemasons) And MN Square Shelter Project Approval - Public Works Director Moulton reported the St. Peter Freemason's had approached the City his department to donate \$50,000 for construction of an additional shelter in Minnesota Square Park on the College Avenue side near the intersection with South Third Street. Moulton stated the Parks and Recreation Advisory Board had recommended approval be provided for construction of the shelter that would be named the "St. Peter Mason's Picnic Shelter", include the Masonic logo on the shelter, and that the shelter be reserved for Mason's exclusive use every Fourth of July. Moulton also noted that the additional \$14,000 in cost to construct the shelter and provide water and electricity, would be provided by the City. In motion by Bruflat, seconded by Johnson (K), Resolution No. 2021-42 entitled "Resolution Accepting Donation From Nicollet Lodge #54 - Saint Peter Freemasons And Authorizing Construction Of A Park Shelter At Minnesota Square Park" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2021-42 is contained in the City Administrator's book entitled Council Resolutions 23.

St. Peter Freemason Officers Dan Honetschlager, Steven Hultengren, Cliff Isley and Chad Honetschlager presented the check to Mayor pro tern Johnson (E) who thanked them and all the St. Peter service communities for their work to make St. Peter better.

DNR Outdoor Recreation Program Grant Submission - Public Works Director Moulton requested authorization to submit a grant application to the Minnesota Department of Natural Resources (DNR) Outdoor Recreation Grant program for a 50-50 matching grant to fund a \$122,000 project to make additional improvements in Minnesota Square Park including construction of a parking lot, and additional sidewalks and trails in the park. Moulton noted it was the same project that had failed to receive funding in 2020. In motion by Nowell, seconded by Grams, Resolution No. 2021-43 entitled "Resolution Authorizing Submission Of Application

For The Department Of Natural Resources Outdoor Recreational Grant Program For Minnesota Square Park Improvement Project" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2021-43 is contained in the City Administrator's book entitled Council Resolutions 23.

Community Spirit Park Maintenance Agreement - City Administrator Prafke recommended authorization be provided for execution of a new maintenance agreement between the City and School District #508 for costs associated with Community Spirit Park. Prafke noted the previous agreements had each been for one year, but with good understanding of the costs after three years of development, he and the School Superintendent were recommending a perpetual contract that would include a six month notification by either party who may wish to terminate.

Councilmember Johnson (K) questioned how the Council would review the agreement if it was going to be perpetual and they wouldn't see it again. Prafke stated Council review would be through the annual budget process and the agreement could also be a topic of discussion when the School Board and City Council meet again in joint session.

Councilmember Grams questioned how, if the agreement were terminated, the City could ensure the area was maintained to City standards. Prafke reminded the Council that if the agreement were terminated the City would maintain the park to City standards and the School District #508 land would be maintained to their own standards.

Mayor pro tern Johnson (E) asked how the City is paid through the agreement. Prafke indicated the City receives regular payments from the District based on the actual cost of any work performed and that the numbers included in the agreement are estimates of costs that will be adjusted on a year to year basis as has happened in the past. In motion by Johnson (K), seconded by Bruflat, Resolution No. 2021-44 entitled "Resolution Approving Execution Of Maintenance Agreement Between The City And School District #508 For Community Spirit Park" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2021-44 is contained in the City Administrator's book entitled Council Resolutions 23.

Community Center Lease f Kid's Corner) Room 110 - City Administrator Prafke reported that the lease with Kid's Corner for space at the Community Center was multi-year with the exception of Room #110 which Kid's Corner had only wished to lease for one year (through December, 2020) and had now discovered they wished to continue to lease through 2021. Prafke recommended execution of a one-year lease with Kid's Corner for Room 110 that would include a three percent (3%) rent increase over the 2020 year amount.

Councilmember DeVos expressed concerns over the amount of staff time spent in negotiations for year to year leases and suggested that if Kid's Corner asked for a one year lease again it be denied or the rent increase be much higher.

In motion by DeVos, seconded by Bruflat, Resolution No. 2021-45 entitled "Resolution Approving Execution Of Lease With Kid's Corner Child Center For Room 110 In The Community Center was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2021-45 is contained in the City Administrator's book entitled Council Resolutions 23.

River's Edge Hospital CEO Appointment - City Administrator Prafke reminded Councilmembers that the City Code requires Council concurrence for the appointment of the Chief Executive Officer at River's Edge Hospital and that Councilmembers were included in the interview process for the position. Prafke recommended adoption of a resolution that would provide concurrence for the appointment of Paula Meskan as CEO for the Hospital. Councilmembers Johnson (K), Nowell and Bruflat expressed appreciation for the recruitment process and extended congratulations to Ms. Meskan on her appointment. In motion by Nowell, seconded by Johnson (K), Resolution No. 2021-46 entitled "Resolution Providing Concurrence With Hospital Commission Appointment For River's Edge Hospital CEO" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2021-46 is contained in the City Administrator's book entitled Council Resolutions 23.

Reports

House Committee Testimony (Local Option Sales Tax) - Mayor pro tern Johnson (E) reported on the testimony he and Mayor Zieman provided before a subcommittee of the House related to the City's request for a local option sales tax to partially fund construction of a new Fire Station. City Administrator Prafke indicated the Senate hearing on the City's request was likely to occur in the near future.

St. Patrick's Day Parade Cancellation - City Administrator Prafke reported the St. Peter Ambassadors' had cancelled the St. Patrick's Day parade due to their inability to meet COVID-19 precautions.

Interim Building Official Designation - City Administrator Prafke reported State law requires the City to have a Certified Building Official and, using the authority provided to him in the City Code, he had entered into a contract with Harry Jenness Inspections to serve as the City's Building Official until the recruitment process to fill the vacancy was concluded. While Mr. Jenness would be the Building Official, City Building Inspector Kevin Murphy would be responsible for most of the day to day operations of the Department. Prafke noted the recruitment process would soon be underway and a report on the process would be provided as part of the next Council workshop.

There being no further business, a motion was made by Nowell, seconded by Bruflat, to adjourn. With all in favor, the motion carried and the meeting adjourned at 8:12 p.m.

Charles Zieman
Mayor

ATTEST:

Todd Prafke
City Administrator