

CITY OF SAINT PETER, MINNESOTA
OFFICIAL PROCEEDINGS
MINUTES OF THE CITY COUNCIL MEETING
JULY 24, 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 Nowell called the meeting to order at 7:00 p.m. The following members were present: Brad DeVos, Keri Johnson, Darrell Pettis, Emily Bruflat, Ben Ranft, Dustin Sharstrom and Mayor Nowell. The following officials were also present: City Administrator Todd Prafke, City Attorney James Brandt, and City Engineer Jeff Domras.

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

Approval of Minutes – A motion was made by Bruflat, seconded by Pettis, to approve the minutes of the July 10, 2023 regular City Council meeting. With all in favor, the minutes were approved. A complete copy of the minutes of the July 10, 2023 regular City Council meeting is contained in the City Administrator's book entitled Council Proceedings 20.

Consent Agenda – City Administrator Prafke asked for the addition of a Temporary On-Sale Liquor License for the Chamber of Commerce annual member picnic in Levee Park on August 15, 2023. Prafke noted the application was submitted after the packet deadline. In motion by DeVos, seconded by Sharstrom, Resolution No. 2023–117 entitled "Resolution Approving Consent Agenda" was introduced with the inclusion of the additional license. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-117 is contained in the City Administrator's book entitled Council Resolutions 24.

2023C General Obligation Improvement & Utility Revenue Bonds – Shannon Sweeney of David Drown Associates presented a recommendation to provide for competitive negotiated sale for \$2,865,000 in General Obligation and utility revenue bonds. Sweeney noted that if the sale was approved, the bond sale would take place on August 28th and the funds would be used to finance the 2023 Park Row Street and Utility Improvements Project; utilities within 361st Avenue; the Highway 169/99/22 project that is being done in conjunction with MnDOT on the south end of St. Peter; the 2023 St. Julien/Old Minnesota Avenue Roundabout Project; and the Clark Street Project. Sweeney reported a Standard and Poor's bond rating would be purchased at a cost of \$14,000, but having the rating would save up to .75% in interest rates on the issuance. Sweeney also pointed out that repayment of the bond issuance would be unique because of the different payback timetables for assessments on some of the projects being funded by the bonds.

Councilmember DeVos questioned the anticipated interest rate with Sweeney responding he had utilized a conservative rate of 3.9% when planning for the bond issuance.

In motion by Ranft, seconded by Johnson, Resolution No. 2023-118 entitled "Resolution Providing For The Competitive Negotiated Sale Of \$2,865,000 General Obligation Improvement And Utility Revenue Bonds, Series 2023C" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-118 is contained in the City Administrator's book entitled Council Resolutions 24.

2023 St. Julien/Old Minnesota Avenue Roundabout Bid Award – Public Works Director Moulton recommended award of the bid for the 2023 St. Julien/Old Minnesota Avenue Roundabout Project to low bidder Dirt Merchant, Inc. in the amount of \$1,795,508.06. Moulton noted that three of the four bids were under the engineer's estimate and that the project was expected to start in August and be finished by November. City Administrator Prafke recommended the resolution language be modified to note that future debt issuance was also a funding source. In motion by Pettis, seconded by Bruflat, Resolution No. 2023-119 entitled "Resolution Awarding Bid For 2023 St. Julien/Old Minnesota Avenue Roundabout Project" was introduced with the addition of the following language in item #2 "... and future debt issuance." Upon roll call, with all in favor, the Resolution was declared passed and adopted as modified. A complete copy of Resolution No. 2023-119 is contained in the City Administrator's book entitled Council Resolutions 24.

2023 Park Row Street and Utility Improvements Project Change Order #1 – Public Works Director Moulton presented a change order for the 2023 Park Row Street and Utility Improvements Project that would provide for the contractor installing the asphalt on the roadway at an additional cost of \$91,615.25. Moulton noted that the original plan had provided for the City

staff to install the asphalt and if the Change Order was approved, \$74,000 in asphalt materials purchased from the Streets budget would be deducted.

Councilmember DeVos questioned the project completion date change provided for in the proposed resolution. Moulton noted that the September date would be the same as if the City crew had completed the work, but with the contractor now being responsible, the Change Order needed to provide the contractor with additional time to complete the work.

City Administrator Prafke reported that to be completely transparent, Councilmembers should know that the first lift of asphalt had already been completed by the contractor.

In motion by Ranft, seconded by Pettis, Resolution No. 2023-120 entitled "Resolution Authorizing Change Order #1 For 2023 Park Row Street And Utility Improvements Project" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-120 is contained in the City Administrator's book entitled Council Resolutions 24.

Traverse Green #3 Engineering Services – Public Works Director Moulton and Community Development Director Baker recommended that Bolton and Menk, Inc. be retained to provide preliminary engineering for a proposed housing development that is being considered in partnership with the St. Peter Development Corporation in Traverse Green Subdivision #3. Baker indicated the 40-acre site is being considered for development as 10,000 square foot lots which are currently in demand. Moulton reported that having the preliminary engineering completed will provide information that would allow for proper development of the proposed 22 lots including placement of utilities.

In motion by Johnson, seconded by Ranft, Resolution No. 2023-121 entitled "Resolution Retaining Bolton And Menk, Inc. To Provide Preliminary Engineering For A Proposed 2024 Traverse Green Subdivision #3 Project" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-121 is contained in the City Administrator's book entitled Council Resolutions 24.

2024 Pine Street Improvement Project Feasibility Study/Public Hearing Request – Public Works Director Moulton requested acceptance of the feasibility study completed by Bolton and Menk, Inc. that showed the feasibility of a project to make improvements to the roadway and utility services along West Pine Street from South Minnesota Avenue to South Washington Avenue. Moulton noted that as the proposed project would be funded in part by assessments to benefitting property owners, Minnesota Statutes requires formal acceptance of the study and calling for a public hearing (August 14th) on the proposed assessments; both actions which were included in the proposed resolution. Moulton and City Engineer Jeff Domras provided information on the proposed work to be included in the project and Councilmembers discussed the estimated costs and how the newly revised assessment policy would assign costs to private property owners.

Councilmember Pettis reminded staff that, to issue debt on a project under M.S. 429, at least 20% of the project costs must be in assessments and the current proposed amount is 23%.

In motion by DeVos seconded by Bruflat, Resolution No. 2023-122 entitled "Resolution Accepting Feasibility Report And Calling For A Public Hearing On Improvements Along West Pine Street Between South Minnesota Avenue And South Washington Avenue" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-122 is contained in the City Administrator's book entitled Council Resolutions 24.

Updated REDA Agreement – Community Development Director Baker, along with Ryan Vesey of the Regional Economic Development Alliance (Greater Mankato Growth), addressed the Council to recommend execution of an updated REDA agreement. Baker provided a history of the organization that was formed in 2009 to retain and grow the economic development base in the area in and around Mankato. City Administrator Prafke noted that Saint Peter was a founding member of REDA and the group was important in the regional marketplace with a focus on industrial development.

Councilmember Johnson, who serves as Vice-Chair of REDA, indicated her belief that the organization is a unique opportunity and very worthwhile.

Vesey noted that the Mainstreet Program, through the Minnesota Department of Employment and Economic Development, has been awarded \$1.9 million and if all the proposed projects move forward, Saint Peter businesses are in line for \$400,000 of that grant award.

In motion by Ranft, seconded by DeVos, Resolution No. 2023-123 entitled “Resolution Authorizing Execution of Updated Regional Economic Development Alliance (REDA) Joint Economic Development Service Agreement” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-123 is contained in the City Administrator’s book entitled Council Resolutions 24.

Reports

Mayor’s Report – Mayor Nowell had no reports.

Councilmember Pettis reported on the status of the new fire station project and indicated the project was complete, but no certificate of occupancy had been issued yet. Pettis reviewed the status of delivery of the generator (delayed), gear lockers, hose and air lines and reels; reported the asphalt had been placed but the lot was still barricaded; phone lines would be installed soon; and the furniture order was close to being placed. Pettis noted the Department was expected to move to the new building in late August-early September. City Administrator Prafke noted a public open house was being planned for October 14th which happened to be during Fire Safety Week.

Safe Routes To School Grant Project – Public Works Director Moulton reported that preliminary work is being done along the planned 2024 Safe Routes to School Project routes to identify utility locations. Moulton noted these areas are near the various schools, along Church and South Seventh Streets; and along North Washington Avenue. City Administrator Prafke noted that the grant award was made a few years prior with the actual project planned for 2024. Prafke also reported that planning for the project was done in conjunction with School District #508.

Construction Projects Update – Public Works Director Moulton provided updated reports on the MnDOT project at Highways 169/22/99 on the south end of St. Peter; 2023 Park Row Street and Utility Improvements Project; Township 361st; Windsor Pond; 2023 St. Julien/Old Minnesota Avenue Roundabout Project; Highway 22 Corridor Study; and the upcoming seal coat project. City Administrator Prafke also commented on the repaving of Dodd Avenue (Highway 22) which had been recently completed by MnDOT.

Closed Session: Purchase Offer For 227 West Mulberry Street – City Administrator Prafke requested a closed session, as authorized in State Statutes, to discuss the proposed sale of the City owned property at 227 West Mulberry Street (old Fire Hall). In motion by Ranft, seconded by Pettis, Resolution No. 2023-124 entitled “Resolution Calling For Closed Session” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-124 is contained in the City Administrator’s book entitled Council Resolutions 24.

The Council recessed at 7:53 p.m.

The Council adjourned to closed session in the Nicollet Room at 8:04 p.m.

The Council returned to open session at 9:17 p.m.

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 9:18 p.m.

Shanon A. Nowell
Mayor

ATTEST:

Todd Prafke
City Administrator