

**CITY OF SAINT PETER, MINNESOTA**  
**OFFICIAL PROCEEDINGS**  
**MINUTES OF THE CITY COUNCIL MEETING**  
**AUGUST 14, 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: Keri Johnson, Darrell Pettis, Ben Ranft, Dustin Sharstrom and Mayor Nowell. Absent were Councilmembers Brad DeVos and Emily Bruflat. 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 Ranft, seconded by Pettis, 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 July 24, 2023 regular City Council meeting. With all in favor, the minutes were approved. A complete copy of the minutes of the July 24, 2023 regular City Council meeting is contained in the City Administrator's book entitled Council Proceedings 20.

**Public Hearing: 2024 Pine Street Improvements Project** – Mayor Nowell reviewed the process for conducting a public hearing and then opened the hearing at 7:01 p.m. Public Works Director Moulton and City Engineer Domras reviewed the proposed project which the feasibility study had determined to be "necessary, cost effective, and feasible". Domras indicated the over fifty-year-old roadway was in very poor condition and would be replaced along with the 1940-1960's high back curb and gutter, sidewalk, and sanitary sewer and water mains which are in poor condition and undersized. Moulton noted the approximately \$1.7 million project would be funded in part by assessments to abutting property owners and the preliminary assessment roll had been discussed with those property owners during a public meeting and by staff contact that would continue as the project preparation continued.

Denise Blaschko and Dave Iveland of 307 West Pine Street, asked for more information as to why costs for the proposed improvement would fall on the property owners and not the City. Blaschko stated her proposed assessment of \$10,000-\$12,000 would not make her house worth anymore and yet she would have to pay \$1,000 a year more in taxes. Blaschko also said that a few years prior she had been assessed for sidewalk and new curb and gutter both of which were still in good shape. Iveland objected to paying for things like the new school which neither of them would use and said he didn't understand how city government works.

Mayor Nowell and City Administrator Prafke indicated that staff would be in touch to provide Ms. Blaschko and Mr. Iveland additional information on the project including possibilities for deferral of the proposed assessments.

Samantha Kaul, of 113 Pelican Court in Mankato, reported she was the listing agent for the property at 429 West Pine Street, and the purchase agreement she had for the property was in limbo due to the proposed assessments which she had been required to disclose to the buyer. Kaul asked for a firm amount for the assessments and questioned whether from a real estate point of view the project would add value to the property or not.

There being no further speakers, the hearing was declared closed at 7:12 p.m.

**Consent Agenda** – In motion by Ranft, seconded by Pettis, Resolution No. 2023-125 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. 2023-125 is contained in the City Administrator's book entitled Council Resolutions 24.

**2022 Audit Presentation/Acceptance** – CPR James Eichten of the MMKR, accounting firm, presented an unmodified (clean) audit of the City's finances from 2022. Eichten reviewed internal controls, the lack of need for a single audit of federal funds as the City hadn't received enough federal funding in 2022 to require it; taxable market value numbers, expenditures and revenues per capita as compared to other cities; the state-wide trend of increasing public safety costs; the impact of the sales tax received for the fire station project; fund balances and an overall increase in net equity for the Enterprise Funds of \$1.2 million.

Eichten also pointed out a milestone that had last been achieved twenty years ago wherein the amount of debt issued by the City per resident (\$2,273) was lower than the statewide average (\$2,560). Eichten expressed his belief that the audit showed “excellent financial management on behalf of City staff and an overall positive audit.”

Councilmember Johnson questioned what happens when the audit is submitted to the State Auditor’s Office. Eichten noted that very few cities hear anything back mostly due to lack of staffing levels at the State Auditor’s office.

Johnson also questioned how much time audits take. Eichten reported that it was a six-month process with auditors on-site at the City for a week or more during January, April and May.

City Administrator Prafke reported that the audit documents would be available online for public review in the very near future and paper copies were available for review at the public library and in the Finance Director’s office.

In motion by Sharstrom, seconded by Johnson, Resolution No. 2023-126 entitled “Resolution Accepting 2022 Financial Statements Together With Independent Auditor’s Report” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-126 is contained in the City Administrator’s book entitled Council Resolutions 24.

**2024 Pine Street Improvements Project** – Public Works Director Moulton recommended adoption of a resolution directing Bolton and Menk, Inc. to prepare plans and specifications for the 2024 Pine Street Improvements Project based on the feasibility study showing the project was feasible and having conducted a public hearing as required by M.S. 429 for projects funded in part by assessments. Moulton noted that issuance of debt (bonds) to finance the project would also require that at least 20% of the costs for the roadway would need to be assessed based on regulations contained in Statutes.

City Administrator Prafke reminded the Council that adoption of the resolution did not authorize construction of the project and that additional Council action would be needed before the construction may be authorized.

Councilmembers had extensive discussion on the requirement in M.S. 429 that at least twenty percent (20%) of the project cost be assessed in order to issue bonds. City Administrator Prafke noted that only the roadway part of the project would be funded by bonds and at this time twenty-three percent (23%) of those costs are assessable to abutting property owners under the most recently adopted assessment policy.

City Administrator Prafke noted that the current assessment policy would be included on the City’s website.

Councilmember Pettis questioned whether there were any lead lines that would be replaced as part of the project. Moulton noted one had been identified, but that all water and wastewater lines would be checked as part of the project.

Mayor Nowell asked if there was State and/or Federal funding available to help pay for replacement of lead lines. City Administrator Prafke indicated there were programs available, but applications must be submitted and reminded the Council that in the early 1990’s an extensive process was undertaken by the City to remove almost all lead lines in the City and most, but not all, property owners took advantage of the program at that time.

In motion by Pettis, seconded by Sharstrom, Resolution No. 2023-127 entitled “Resolution Ordering Improvement And Preparation Of Plans And Specifications For The 2024 Pine Street Improvements Project From South Washington Avenue To South Minnesota Avenue” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-127 is contained in the City Administrator’s book entitled Council Resolutions 24.

**Furnishing 15 kV Switchgear Front Substation Bid Award** –Public Works Director Moulton requested award of the bid for the Furnishing 15 kV Switchgear Front Substation Bid to low bidder Harold K. Scholz Company for \$250,900. Moulton noted that delivery of the previously ordered transformer and the switchgear equipment would be next summer and once installation begins, half of the substation would be redirected during installation with the timeline for being back on-line in spring, 2025. Moulton also noted the switchgear equipment would be temporarily funded by the Electric Fund with a future bond issuance planned. In motion by Johnson, seconded by Ranft, Resolution No. 2023-128 entitled “Resolution Awarding Bid For Furnishing 15kV

Switchgear Front Substation Project“ was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-128 is contained in the City Administrator’s book entitled Council Resolutions 24.

**2022/2023 Equipment Certificate Bid Awards** – Finance Director Vogel recommended acceptance of the low bids for both the 2022 and 2023 Equipment Certificates. Vogel noted the low (only) bid on the 2022 issuance was submitted by Hometown Bank with an interest cost of \$55,309.50 and an average interest rate of 6.05% for the three-year issuance. Vogel further noted the low bid on the 2023 issuance was submitted by First National Bank with an interest cost of \$107,580 and an average interest rate of 5.36% for the five-year issuance.

In motion by Ranft, seconded by Johnson, Resolution No. 2023-129 entitled “Resolution Awarding The Sale Of \$449,000 General Obligation Equipment Certificates Of Indebtedness Of 2022; Fixing The Form And Specifications Thereof; And Providing For Their Payment“ was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-129 is contained in the City Administrator’s book entitled Council Resolutions 24.

City Administrator Prafke noted an error in the resolution that had just been adopted in that the amount of the 2022 Certificates was incorrectly listed in the title. Prafke stated the amount should be \$459,000. Prafke recommended the Council rescind the newly adopted resolution and adopt a corrected one in its’ place.

As motion was made by Ranft, seconded by Johnson, to rescind Resolution No. 2023-129 and adopt Resolution No. 2023-130 entitled “Resolution Awarding The Sale Of \$459,000 General Obligation Equipment Certificates Of Indebtedness Of 2022; Fixing The Form And Specifications Thereof; And Providing For Their Payment“. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-130 is contained in the City Administrator’s book entitled Council Resolutions 24.

In motion by Pettis, seconded by Sharstrom, Resolution No. 2023-131 entitled “Resolution Awarding The Sale Of \$660,000 General Obligation Equipment Certificates Of Indebtedness Of 2023; Fixing The Form And Specifications Thereof; And Providing For Their Payment “ was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-131 is contained in the City Administrator’s book entitled Council Resolutions 24.

**Traffic Control Device Authorization** – City Administrator Prafke reported Alumacraft Boat Company had requested installation of designated crosswalks on St. Julien following expansion of their facility which led to their employees parking on St. Julien Street and crossing outside of designated intersections. Prafke noted that City staff had installed parking restriction signs along the roadway and that Councilmember Pettis had correctly pointed out that the City Code requires formal Council action before any traffic control modification including parking restrictions. Prafke presented a resolution directing staff to place “No Parking” signs on the south side of the 300 block of West St. Julien and “2 Hour Parking” signs on the north of the same block. Prafke also noted that the signs would be removed if the Council did not approve the resolution.

In motion by Johnson, seconded by Ranft, Resolution No. 2023-132 entitled “Resolution Directing Placement Of Parking Control Signs In The 300 Block Of West St. Julien Street“ was introduced. Upon roll call, with Councilmembers Sharstrom, Ranft, Johnson and Mayor Nowell voting aye, Councilmember Pettis voting nay, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-132 is contained in the City Administrator’s book entitled Council Resolutions 24.

**City Hall Space Needs Study** – City Administrator Prafke recommended ISG Architects be retained to compile an updated space needs study for City Hall at a cost of \$12,000. Prafke noted the last study was completed twelve years ago by Paulsen Architects and Bryan Paulsen was now part of the ISG firm. Prafke stated the updated study would include alternatives to modifying the existing building and also looking at alternative sites located elsewhere in the downtown area along with all related per square foot cost estimates. Councilmember Johnson questioned why no action had been taken on the earlier study. Prafke noted that the Council at that time was facing other priorities and since the current City Hall space, while not ideal, was workable, no further action was taken.

In motion by Pettis, seconded by Sharstrom, Resolution No. 2023-133 entitled “Resolution Retaining ISG Architects To Prepare An Updated Space Needs Study For City Hall“ was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A

complete copy of Resolution No. 2023-133 is contained in the City Administrator's book entitled Council Resolutions 24.

**Maintenance Engineer Position Description Update** – City Administrator Prafke recommended minor modifications to the position description for Maintenance Engineer description which had last been updated “a couple decades” prior. In motion by Sharstrom, seconded by Ranft, Resolution No. 2023-134 entitled “Resolution Adopting Modified Position Description For Maintenance Engineer” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-134 is contained in the City Administrator's book entitled Council Resolutions 24.

## **Reports**

**Mayor's Report** – Mayor Nowell thanked the members of the Fair Board for their hard work on another successful County Fair.

**CGMC Conference** – Councilmember Pettis reported on his attendance at the summer conference of the Coalition of Greater Minnesota Cities held in Thief River Falls and noted discussions included actions taken at the last legislative session; housing issues; the possibility of another bonding bill in 2024; new programs for infrastructure project funding; childcare issues; and labor bills including the paid family leave policy that takes effect in 2025. Pettis also congratulated Councilmember Keri Johnson on her election as CGMC Second Vice-President.

Councilmember Johnson reported that Councilmembers will be receiving invitations to join CGMC policy committees and she encouraged Councilmembers to consider applying and also attending the annual fall conference to be held in Willmar.

**Recreation and Leisure Services Director Recruitment Update** – City Administrator Prafke reminded the Council of the August 17th events related to the recruitment process for the Recreation and Leisure Services Director position which included a public meet and greet at 10:30 a.m. and Council interviews later in the day.

**Construction Update** – Public Works Director Moulton provided an update on the various construction projects occurring in St. Peter including the MnDOT Highways 169/22/99 project on the south end of town; 2023 Park Row Street and Utility Improvements Project; 361st Avenue reconstruction; seal coating; and the Old Minnesota Avenue/St. Julien Street roundabout.

Councilmember Johnson mentioned that there was a lot of discussion on social media about the need for the roundabout. City Administrator Prafke reminded the Council that the roundabout was planned several years prior as a means of enhancing traffic movement when development in the area increased, but with \$1.25 million in grant funds to pay for a large portion of the cost, the current Council had decided to move ahead with the project at this time.

**Fire Station Project Update** - City Administrator Prafke provided an update on the remaining components for the new Fire Station including telecommunications installation and delivery of the generator which has been backordered multiple times and is still a few weeks out from delivery. Prafke reminded the Council that the grand opening of the building is scheduled for October 14th which happens to be Fire Prevention Day.

There being no further business, a motion was made by Ranft, seconded by Sharstrom, to adjourn. With all in favor, the motion carried and the meeting adjourned at 8:28 p.m.

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Shanon A. Nowell  
Mayor

ATTEST:

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Todd Prafke  
City Administrator