

CITY OF SAINT PETER, MINNESOTA
OFFICIAL PROCEEDINGS
MINUTES OF THE CITY COUNCIL MEETING
NOVEMBER 14, 2022

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: Shanon Nowell, Brad DeVos, Keri Johnson, Ben Ranft, Dustin Sharstrom, and Darrell Pettis. Absent was Councilmember Emily Bruflat. The following officials were also present: Recreation and Leisure Services Director Joey Schugel, City Attorney James Brandt, and City Engineer Jeff Domras.

Mayor Nowell noted that Recreation and Leisure Services Director Joey Schugel was sitting in for City Administrator Todd Prafke.

Approval of Agenda – Recreation and Leisure Services Director Schugel requested a change to the agenda to note the police squad car purchases were funded by the 2021 and 2022 equipment certificates. A motion was made by Ranft, seconded by Sharstrom, to approve the agenda as modified. With all in favor, the agenda was approved.

Approval of Minutes – A motion was made by Pettis, seconded by Johnson, to approve the minutes of the October 24, 2022 regular City Council meeting. With all in favor, the minutes were approved. A complete copy of the minutes of the October 24, 2022 regular City Council meeting is contained in the City Administrator's book entitled Council Proceedings 20.

Public Hearing: Assessment of Unpaid Utility Charges – Mayor Nowell reviewed the procedure for conducting a public hearing and then opened the public hearing on assessment of unpaid utility charges at 7:02 p.m. Finance Director Vogel reviewed the proposed assessments for unpaid utility charges as of May 31, 2022 and noted that of the \$13,902.01 in past due bills, only \$7,078.34 was assessable under State law and the remainder would be written off as uncollectible. There being no further speakers, the hearing was declared closed at 7:04 p.m.

Public Hearing: Assessment of Unpaid Miscellaneous Charges – Mayor Nowell opened the public hearing on assessment of unpaid miscellaneous charges at 7:05 p.m. Finance Director Vogel reviewed the proposed assessments included snow removal and lawn mowing services totaling \$1,050 and \$77,723.99 in charges for which the property owners had executed waivers of assessment. There being no further speakers, the hearing was declared closed at 7:06 p.m.

Public Hearing: Tax Increment Financing District No. 1-25 Creation – Mayor Nowell opened the public hearing on creation of Tax Increment Financing District No. 1-25 at 7:06 p.m. Recreation and Leisure Services Director Schugel provided information on the proposed creation of a Tax Increment Financing housing district to be located directly west of the Hy-Vee store. Schugel noted the area was approximately four (4) acres in size, the district would generate \$1.6 million in increments over a maximum fourteen-year period, and the agreement required that 20% (12) of the apartments be rented to tenants earning 50% or less of the average median income. There being no further speakers, the hearing was declared closed at 7:08 p.m.

Public Hearing: Hallett Pond Addition No. 3 Preliminary/Final Plats – Mayor Nowell opened the public hearing on adoption of the preliminary and final plats for Hallett Pond Addition No. 3 at 7:08 p.m. Community Development Director Baker provided information on the proposed plats which, if adopted, would result in three separate lots (one for future parkland, the second for a proposed multi-family apartment building and a third for a future commercial building) on approximately 4.6 acres. Baker pointed out that the easement shown on the final plat was partially under a building and the easement would need to be corrected before the final plat was filed with Nicollet County. Baker reported the Planning and Zoning Commission was recommending approval of both the preliminary and final plats. There being no further speakers, the hearing was declared closed at 7:12 p.m.

Consent Agenda – Mayor Nowell noted that the consent agenda Temporary Gambling license application for GAC Pheasants Forever should be changed to "Ducks Unlimited". In motion by Johnson, seconded by Ranft, Resolution No. 2022-164 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. 2022-164 is contained in the City Administrator's book entitled Council Resolutions 24.

Flood Plain Ordinance Regulations - Correction – Recreation and Leisure Services Director Schugel presented the City Administrator’s recommendation to adopt an ordinance that would modify the City Code flood plain regulations by including Section 25-6 which was inadvertently omitted when the last update to the flood plain regulations was adopted in October, 2022. In motion by Pettis, seconded by Johnson, Ordinance No. 55 Third Series entitled “An Ordinance Amending Saint Peter City Code Chapter 25 ‘Floodplain District’ And Adopting By Reference Saint Peter City Code Chapter 1 Section 1-6, Which, Among Other Things, Contain Penalty Provisions” was introduced. Upon roll call, with all in favor, the Ordinance was declared passed and adopted. A complete copy of Ordinance No. 55, Third Series is contained in the City Administrator’s book entitled Council Ordinances 2.

Assessment Of Unpaid Utility Charges – Following the public hearing, Finance Director Vogel recommended assessment of unpaid utility charges in the amount of \$7,078.34. Councilmember Johnson questioned how often financial support for those unable to pay utility charges helps resolve delinquent accounts. Vogel reported funding from outside organizations is very helpful for those struggling to pay unpaid bills and the extra funding allocated recently for water, wastewater and refuse charges was especially helpful to many of the City’s customers. In motion by Ranft, seconded by Sharstrom, Resolution No. 2022-165 entitled “Resolution Adopting Assessment For Unpaid Charges For Municipal Utilities And Writing Off Of Bad Debt Utility Charges” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2022-165 is contained in the City Administrator’s book entitled Council Resolutions 24.

Assessment of Unpaid Miscellaneous Charges – Finance Director Vogel recommended assessment of unpaid miscellaneous charges totaling \$78,773.99. In motion by Johnson, seconded by Pettis, Resolution No. 2022-166 entitled “Resolution Adopting Assessment Of Unpaid Miscellaneous Charges” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2022-166 is contained in the City Administrator’s book entitled Council Resolutions 24.

Final Acceptance Of 2022 Minnesota Park North Plaza Phase II Project – Public Works Director Moulton requested final acceptance of the 2022 Minnesota Park North Plaza Phase II Project in the final total amount of \$130,669.17 which included one change order for extra materials and replacement of cracked panels. Moulton also requested authorization to make final payment to Nielsen Concrete in the amount of \$15,250.94. Councilmember Pettis questioned if the work was funded by a Department of Natural Resources grant. Moulton responded that a portion of the funding is from the DNR, but the majority of costs were funded by the General Fund. In motion by Sharstrom, seconded by Ranft, Resolution No. 2022-167 entitled “Resolution Accepting 2022 Minnesota Park North Plaza – Phase II Project As Completed And Authorizing Final Payment To The Contractor” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2022-167 is contained in the City Administrator’s book entitled Council Resolutions 24.

Hallett Pond Addition No. 3 Preliminary/Final Plats– Community Development Director Baker presented the Planning and Zoning Commission recommendation for approval of the Preliminary Plat for Hallett Pond Addition No. 3. In motion by Pettis, seconded by Ranft, Resolution No. 2022-168 entitled “Resolution Approving Preliminary Plat Of Hallett Pond Addition No. 3” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2022-168 is contained in the City Administrator’s book entitled Council Resolutions 24.

Community Development Director Baker also presented the Planning Commission recommendation for approval of the final plat and noted that the plat would be changed to prevent an easement from going through a building. In motion by Johnson, seconded by Sharstrom, Resolution No. 2022-169 entitled “Resolution Approving Final Plat For Hallett Pond Addition No. 3” was introduced with the condition that language within the resolution to modify the easement first be approved by the City Attorney. Upon roll call, with all in favor, the Resolution was declared passed and adopted as moved. A complete copy of Resolution No. 2022-169 is contained in the City Administrator’s book entitled Council Resolutions 24.

BRM Holdings, Inc. Development Agreement – Community Development Director Baker recommended execution of a development agreement between the City and BRM Holdings, LLC that would identify the conditions for development of Hallett Pond Addition No. 3. Baker noted the agreement addressed several topics including fencing, parking, trees, landscaping, access easement to the future park, sidewalks, signage from South Third Street, maintenance responsibilities and access. Baker also pointed out that the agreement was similar to that

previously executed for the Traverse Green Subdivision multi-family housing development. In motion by Pettis, seconded by Ranft, Resolution No. 2022-170 entitled "Resolution Authorizing Execution Of A Development Agreement By And Between The City Of Saint Peter And BRM Holdings, LLC" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2022-170 is contained in the City Administrator's book entitled Council Resolutions 24.

Tax Increment Financing District No. 1-25 Creation – Community Development Director Baker recommended adoption of a resolution that would create Tax Increment Financing District No. 1-25 and authorize execution of a Tax Increment Financing agreement. Baker reminded the City Council the project developer would receive \$1.6 million over a fourteen-year maximum term and that twelve of the units must be leased to tenants earning fifty percent or less of the area average median income. In motion by DeVos, seconded by Ranft, Resolution No. 2022-171 entitled "Resolution Approving The Establishment Of Tax Increment Financing District No. 1-25 Within Municipal Development District No. 1, And The Adoption of The Tax Increment Financing Plan Relating Thereto" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2022-171 is contained in the City Administrator's book entitled Council Resolutions 24.

Revolving Loan Request: Red Men Club – Community Development Director Baker presented the Economic Development Authority recommendation for approval of a \$25,000 Central Business District Renovation/Accessibility enhancement loan that would be used to make restroom accessibility improvements to the Red Men Club at 412 South Third Street. Baker noted the loan would be provided at zero percent interest over a ten-year term and, if all payments were made on time and in full, the balance would be forgiven when \$5,000 was left to pay. Baker also pointed out that the total cost for the renovation was expected to be \$56,000 and the Club would fund the remainder of the cost. In motion by Pettis, seconded by Sharstrom, Resolution No. 2022-172 entitled "Resolution Approving \$25,000 Central Business District Renovation/Accessibility Enhancement Loan To The Red Men Club, To Partially Finance The Construction Of Accessible Restrooms" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2022-172 is contained in the City Administrator's book entitled Council Resolutions 24.

Revolving Loan Request: Paddlefish Brewing Company – Community Development Director Baker presented the Economic Development Authority recommendation for approval of a \$25,000 revolving loan to Paddlefish Brewing Company at 9.25% interest (prime plus three percent), amortized over ten years with a balloon payment after two years. Baker noted the three owners, who had first approached the City for funding at the beginning of the year, had been directed to the Small Business Development Center and the SBDC had been very impressed with the solid business plan the applicants had developed. Baker stated the EDA had recommended approval but in the amount of \$25,000 versus the \$50,000 which had originally been sought by the applicants and the private lender used for the remainder of the costs had agreed to fund the difference. Mayor Nowell noted the business would open in the building at 108 South Minnesota Avenue. In motion by Sharstrom, seconded by DeVos, Resolution No. 2022-173 entitled "Resolution Approving \$25,000 Revolving Loan To Paddlefish Brewing Company To Partially Finance The Startup Of Paddlefish Brewing Company And Taproom" was introduced. Councilmember Johnson thanked City staff for their encouragement and support for the new business owners and reiterated that the helping business owners with gap financing was an important part of the revolving loan fund. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2022-173 is contained in the City Administrator's book entitled Council Resolutions 24.

2021-2022 Equipment Certificate Purchases: Squad Cars – Chief of Police Grochow requested authorization to purchase a 2023 Dodge Durango from Lager's Inc. at a cost of \$39,363 from Lager's Inc. with funding from the 2021 Equipment Certificate. Councilmember DeVos questioned how 2021 Equipment Certificate funds could be used in 2022. Finance Director Vogel noted that the funding for the purchase was budgeted in the 2021 equipment certificate, but as new vehicles had been backordered since that time, the funding was still available for purchase now that vehicles were available.

Councilmember Sharstrom questioned why one of the proposed purchases was for a Durango and the other for a Charger. Grochow reported Durango's were the only model that was originally available and some Officers preferred the SUV over the sedan. Grochow also noted that Chargers had unexpectedly become available recently and with a need for several replacement squads, the recommendation was to purchase one of each model at this time. In motion by Johnson, seconded by Ranft, Resolution No. 2022-174 entitled "Resolution Approving 2021 Equipment Certificate Purchase" was introduced. Upon roll call, with all in favor, the

Resolution was declared passed and adopted. A complete copy of Resolution No. 2022-174 is contained in the City Administrator's book entitled Council Resolutions 24.

Grochow also requested authorization for purchase of a 2023 Dodge Charger in the amount of \$36,110 from Lager's Inc. with funding from the 2022 Equipment Certificate. In motion by Pettis, seconded by Sharstrom, Resolution No. 2022-175 entitled "Resolution Approving 2022 Equipment Certificate Purchase" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2022-175 is contained in the City Administrator's book entitled Council Resolutions 24.

2023 Equipment Certificate Purchase: Tandem Truck/Attachments – Public Works Director Moulton requested authorization for purchase of a 2024 Western Star chassis from Boyer Trucks in the amount of \$148,966.24; purchase of a body and attachments from Towmaster in the amount of \$166,562; and purchase of an autolube system from Lubecare in the amount of \$10,515 with all purchases funded by the 2023 Equipment Certificate. Moulton noted that, just like the police vehicles, supply chain issues had resulted not only in increased costs, but in difficulty purchasing new vehicles and, if approved, the new truck would not be available until late 2023 at which time the 2001 tandem truck would be declared surplus property. Moulton also pointed out that the total cost was higher than the funding allocated and when the old vehicle was publicly sold, the revenues would be used to offset the overage. In motion by Sharstrom, seconded by Ranft, Resolution No. 2022-176 entitled "Resolution Authorizing 2023 Equipment Certificate Purchase (2024 Western Star Tandem With Attachments)" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2022-176 is contained in the City Administrator's book entitled Council Resolutions 24.

Department of Natural Resources Boat Landing Agreement – Public Works Director Moulton reported the City had previously executed an agreement with the Minnesota Department of Natural Resources (DNR) for maintenance of the river access (boat landing) in Riverside Park, but with the boat landing in need of repairs, the DNR has asked for execution of a new agreement. Moulton stated the agreement outlined the DNR's responsibility to fix the access and the City to maintain it the boat landing. Councilmember Johnson asked if the State provides technical support and Moulton noted the DNR does provide technical information on sand drift and other issues. In motion by Johnson, seconded by Ranft, Resolution No. 2022-177 entitled "Resolution Authorizing Execution Of A Cooperative Maintenance Agreement For The Minnesota River Public Access At Riverside Park Between The State Of Minnesota And The City" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2022-177 is contained in the City Administrator's book entitled Council Resolutions 24.

Electric Improvements Engineering Study Contract – Public Works Director Moulton recommended the City's electric engineers at DeWild, Grant, Reckert And Associates (DGR), be retained to prepare an engineering study for improvements at the Front Street Substation which would include replacement of the main transformer at a cost of \$1,000,000. Moulton reminded the Council that 33% of the City's electrical load passes through the transformer which had been in place since the mid-1950's, which was still operational due to the high level of maintenance provided by staff. Moulton noted the transformer was on "borrowed time" and the total project was expected to be in the amount of \$1.8 million. In motion by Ranft, seconded by Johnson, Resolution No. 2022-178 entitled "Resolution Retaining DeWild, Grant, Reckert And Associates (DGR) To Complete An Engineering Study For Front Street Substation Improvements" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2022-178 is contained in the City Administrator's book entitled Council Resolutions 24.

Wastewater Treatment Plant Facility Planning Study – Public Works Director Moulton also recommended Bolton and Menk, Inc., the City's engineers who designed the wastewater treatment plant, be retained to provide a twenty-year facility plan at a not to exceed cost of \$78,200 funded by the Wastewater Fund. Moulton noted that the 20+ year old facility was beginning to require more maintenance. In motion by Ranft, seconded by Johnson, Resolution No. 2022-179 entitled "Resolution Retaining Bolton and Menk, Inc. To Provide Engineering Services For Development Of A Wastewater Facility Plan" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2022-179 is contained in the City Administrator's book entitled Council Resolutions 24.

Equipment Operator (Seasonal) Position Creation – Public Works Director Moulton requested the creation of a seasonal Equipment Operator position and adoption of a job description. In motion by DeVos, seconded by Johnson, Resolution No. 2022-180 entitled "Resolution Adopting Equipment Operator (Seasonal) Position Description" was introduced.

Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2022-180 is contained in the City Administrator's book entitled Council Resolutions 24.

Reports

Mayor's Report – Mayor Nowell proclaimed November 17th at National Rural Health Day in the community.

Mayor Nowell also commented on the first annual "Art Stroll" which occurred over the weekend.

Councilmembers Reports – There were no Councilmember reports.

October 24, 2022 Closed Session Discussion – Recreation and Leisure Services Director Schugel, as required by State Statute, reported the City Council had gone into closed session at the end of the October 24th regular meeting to discuss a possible real estate transaction, but no Council action had been taken on the issue.

SMMPA Vice-President Election – Recreation and Leisure Services Director Schugel also recognized Public Works Director Moulton who had been elected as Vice-President of the Southern Minnesota Municipal Power Agency (SMMPA) Board of Directors. Moulton noted that Saint Peter is four percent of SMMPA's total electric load and his term would be for one year.

Leaf Collection Update – Recreation and Leisure Services Director Schugel reported that leaf collection continued in the community and Moulton reported that, weather permitting, collection would continue through November 23rd.

Recreation and Leisure Services Director Schugel also reported that the new roundabout at the intersection of West Broadway Avenue/Sunrise Drive had opened at 4:00 p.m. with an announcement on the City's social media sites.

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 8:10 p.m.

Shanon A. Nowell
Mayor

ATTEST:

Todd Prafke
City Administrator