

**SAUK CENTRE CITY COUNCIL
REGULAR MEETING
WEDNESDAY, JUNE 5, 2024**

1. CALL TO ORDER/ROLL CALL/PLEDGE OF ALLEGIANCE

The Sauk Centre City Council met in a Regular Meeting on Wednesday, June 5, 2024 at 6:30 p.m. due notice being given thereof. Present were Mayor Warren Stone and Council Members Diane Kelly, Shalon Wilber, Joe Fuechtmann and Heidi Leach. Also present were City Administrator Vicki Willer, City Engineer Keith Yapp, City Planner Sarah Morton and Police Chief Joe Jensen. Mayor Stone presided thereat.

2. APPROVAL OF AGENDA

A motion was made by Council Member Fuechtmann and was seconded by Council Member Leach to approve the agenda, with changes. A vote being recorded as follows: For: Council Members Fuechtmann, Leach, Wilber, Kelly and Mayor Stone. Against: None. The motion passed.

3. APPROVAL OF MINUTES

A motion was made by Council Member Kelly and was seconded by Council Member Leach to approve the May 15, 2024 City Council Regular Meeting Minutes as presented. A vote being recorded as follows: For: Council Members Kelly, Leach, Wilber, Fuechtmann and Mayor Stone. Against: None. The motion passed.

4. PUBLIC OPEN FORUM (Comments Limited to 3 Minutes)

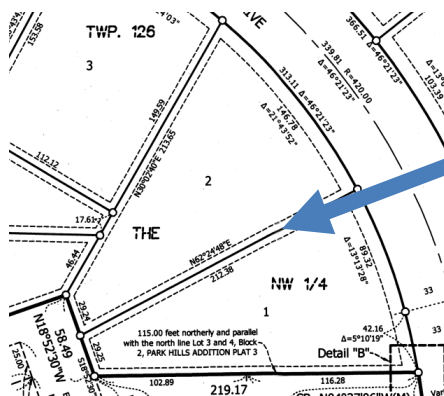
None.

5. PUBLIC HEARING – VACATION OF UTILITY EASEMENT

a. Mayor Stone opened the public hearing and read the Public Hearing Procedure.

Richard Piefer and Ruth Weitzel are the proposed purchasers of Lots 1 & 2, Block 2, Authors Addition. The request before the City Council was to consider the vacation of the utility easement common to these lots, except for five feet along the rear property line and ten feet along the front property line.

Notice was published in the Sauk Herald according to law notifying the public of the proposal.



Mayor Stone called three times for persons to speak in favor or opposition. None spoke. Mayor Stone closed the Public Hearing. See 7d.

6. REPORTS/PRESENTATIONS

- d. The Park Board met on June 24, 2024 in regular session.
- Welcomed new Board Member Alexandra Evenson.
 - Update on Community Garden Fencing. Received donated fencing and have raised \$2,200 toward the cost. PW crew to install.
 - Working on a Trail Maintenance/Improvement Plan.
 - Met with Wobegon Trail Outfitters. Will be renting E-Bikes and Inflatable Paddleboards. Lakewobegonoutfitters.com.
 - Reviewed potential Blue Cross Grant for Exercise Park.
 - Working on a Movie in the Park Night for Children.
- b. Removed from agenda.

7. ACTION ITEMS

- a. The final steps in the process for the Sauk Centre Public Utility to obtain bonds to finance the construction of the municipal electric light and power plant and system include the adoption by the City of a Resolution Concurring with the actions of the Public Utility in the issuance of those bonds.

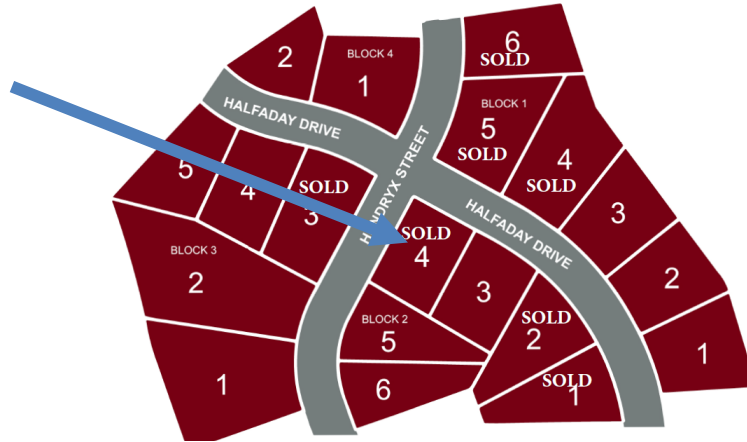
George Eilertson, Northland Securities was present to review the bond proposal:

- Bond/Resolution relates to the sale of electric revenue bonds
- Sauk Centre Public Utilities has authority to issue the bonds, if the City concurs
- Sauk Centre Public Utilities met on 6/5/24 met and approved the sale of bond, sized at \$10,955,000 to finance a new substation and distribution improvements.
- 30 year bond term of 4.48%

Resolution No. 2024-48 concurs with the action of Public Utility Commission in providing for the issuance and sale of \$10,995,000 Electric Revenue Bonds, Series 2024A.

A motion was made by Council Member Kelly and was seconded by Council Member Fuechtmann to approve Resolution No. 2024-48, Concurring in the Actions of the Sauk Centre Public Utilities Commission in Providing for the Issuance and Sale of \$10,955,000 Electric Revenue Bonds, Series 2024A. A vote being recorded as follows: For: Council Members Kelly, Fuechtmann, Leach, Wilber and Mayor Stone. Against: None. The motion passed.

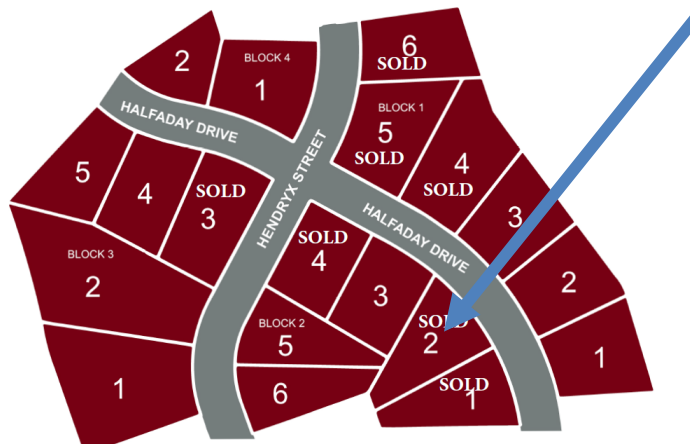
- b. On May 1, 2024 the City Council approved the sale of Lot 1, Block 4, Authors Addition to Mark and Jeannette Anderson by Resolution 2024-41. Since that date the Andersons have requested to change the purchase to Lot 4, Block 2, Authors Addition under the same terms and conditions.



A motion was made by Council Member Kelly and was seconded by Council Member Leach to approve Resolution No. 2024-49, Resolution Authorizing Execution of Documents. A vote being recorded as follows: For: Council Members Kelly, Leach, Fuechtmann, Wilber and Mayor Stone. Against: None. The motion passed.

- c. On January 3, 2024, the City Council accepted an offer for the sale of Lot 1, Block 2, Authors Addition by Resolution 2024-03.

The Purchasers have now requested to purchase the adjacent lot described as Lot 2, Block 2, Authors Addition.



A motion was made by Council Member Wilber and was seconded by Council Member Kelly to approve Resolution 2024-50, Resolution Authorizing Execution of Documents. A vote being recorded as follows: For: Council Members Wilber, Kelly, Leach, Fuechtmann and Mayor Stone. Against: None. The motion passed.

- d. See 5a.

This action is subsequent to the Public Hearing conducted to consider the vacation of a utility easement between Lots 1 & 2, Block 2, Authors Addition.

A motion was made by Council Member Kelly and was seconded by Council Member Fuechtmann to approve Resolution No, 2024-51, Resolution Vacating Utility Easement, contingent upon closing. A vote being recorded as follows: For: Council Members Kelly, Fuechtmann, Leach, Wilber and Mayor Stone. Against: None. The motion passed.

- e. The Final Closeout Report has been prepared and submitted to DEED (State of Minnesota) for the BDPI Grant (Business Development Public Infrastructure) received to assist with the construction of the infrastructure in the South Sauk Centre Industrial Park.

The total grant proceeds received are \$1,243,363.17. This is less than the approved amount of \$1,320,481 originally approved. This is due to the total cost of the contractor came in less than proposed in the initial grant.

This concludes the grant portion of the project. Ongoing reporting related to tax base and jobs created will continue on an annual basis until the goals of the grant are met.

A motion was made by Council Member Leach and was seconded by Council Member Fuechtmann to accept final grant. A vote being recorded as follows: For: Council Members Leach, Fuechtmann, Wilber, Kelly and Mayor Stone. Against: None. The motion passed.

- f. Scott and Lindsay Bergmann previously applied for and received preliminary approval for SCDP (Small Cities Development Program) zero interest deferred loan and grant for property at 101 Pine Street N. The purpose of the loan was to upgrade electrical needs for a duplex at that location. The total preliminary approval was for \$11,000.00.

The work has been completed. The contractor registered with SAM (Systems for Award Management) and completed the Prevailing Wage documents.

The Final Agreement has been prepared for approval and signature:

Total Project Approval	\$11,000.00
Owner Share (30%)	\$ 3,300.00
0% Deferred Loan (30%)	\$ 3,300.00 to be paid by City
Repayment Agreement (Loan Convertible to Grant)	\$ 4,400.00 to be paid by City

The EDA recommended that the Agreements be approved and payment be made by the City to the contractor.

A motion was made by Council Member Kelly and was seconded by Council Member Leach to authorize execution of contracts and disposition of funds in the amount of \$7,700.00 to the contractor. A vote being recorded as follows: For: Council Members Kelly, Leach, Fuechtmann, Wilber and Mayor Stone. Against: None. The motion passed.

- g. The Planning Commission acting as the Board of Adjustment at its meeting on June 4, 2024, held a public hearing to consider the application of Ryan R. and Candice A. Beilke for a variance from the Road Right of Way Corner Side Setback. The required setback is 25'. The request is for 15', which would if approved allow for the construction of a 30 X 40 addition to an attached garage at the same setback as the existing home. The size of the garage was approved by variance at the May 15, 2024 meeting.

The property is described as Lot 1 Block 1 of Pleasant Hills and is located at 813 10th Street S.



A motion was made by Council Member Kelly and was seconded by Council Member Fuechtmann to approve Resolution No. 2024-52, Resolution Approving Request for Variance for Ryan R. and Candice A. Beilke. A vote being recorded as follows: For: Council Members Kelly, Fuechtmann, Leach and Wilber. Against: None. Abstain: Mayor Stone. The motion passed.

- h. The City previously received an offer for Lot 1, Block 3, South Sauk Centre Industrial Park. The City counteroffered (\$160,000 with 3% commission) following a closed session where it was discussed.

The purchaser has now counteroffered (\$155,000 with 3% commission).

A motion was made by Council Member Kelly and was seconded by Council Member Leach to approve Resolution No. 2024-53, Resolution Authorizing Execution of Documents. A vote being recorded as follows: For: Council Members Kelly, Leach, Wilber, Fuechtmann and Mayor Stone. Against: None. The motion passed.

- i. Kathy Struffert, Ambulance Director, submitting the following:

I am requesting to hire Timothy Duvall as an EMT-Paramedic with the Sauk Centre Ambulance Service. Timothy previously worked on our service as an EMT, but has now completed his paramedic training and is a licensed paramedic.

With the part-time Advanced Life Support (ALS) license we now hold, Tim would be a valuable asset to our service. He is a resident of the community and excited to be back on our crew. Tim, along with the three paramedics we currently have on our crew, will be able to assist with the ALS transfers requests and the medical needs of the community

A motion was made by Council Member Wilber and was seconded by Council Member Leach to appoint Tim Duvall as EMT-Paramedic Effective June 5, 2024. A vote being recorded as follows: For: Council Members Wilber, Leach, Kelly, Fuechtmann and Mayor Stone. Against: None. The motion passed.

8. UNFINISHED BUSINESS

- a. The CVB, at a special meeting on April 9, 2024 amended its Bylaws to remove appointing authority of the City to its Board with the new bylaws allowing for the CVB to select its own membership. At the May 1, 2024 Council meeting the CVB Director informed the Council that they would be adding to their bylaws that their membership “shall” include one representative from the City.

These amendments put the CVB Bylaws in conflict with the City Code. When the lodging tax was first enacted in 2007, appointing authority to the CVB Board was included as a city function, the same as other Boards and Commission.

The CVB Board’s rationale for this change, according to an attorney hired by the CVB, is that the City, by appointing the CVB Board, is exercising control over the Board which he maintains is a violation of Mn Statute.

The City Council, at its meeting on May 1, 2024, directed that a committee of two members of the City Council and two members of the CVB Board meet to try to find some common ground in an effort to move forward.

The Committee met and proposed that the City amend its Code which removes appointing authority with the exception of one City representative. A Committee would determine the balance of the appointments.

The CVB has also agreed to report back to the City on the use of the lodging tax dollars regarding tourism and convention activities that have been accomplished, advertising that has been done, and an income and expense statement.

The City Council discussed the following options:

1. The city can continue on with no changes.
2. The city can amend its Code to match the CVB Bylaws which is also the Committee’s Proposal reducing the City appointments from eight to one.
3. The city can repeal Section 112 of the City Code as it relates to Lodging Tax. The city would no longer collect lodging tax from the lodgers.

A motion was made by Council Member Kelly to proceed with Option 3, repeal Section 112 of the City Code as it relates to lodging tax. The motion was seconded by Mayor Stone. A vote was being recorded as follows: For: Council Member Kelly. Against: Council Members Leach, Wilber, Fuechtmann and Mayor Stone. The motion failed due to lack of majority vote.

A motion was made by Council Member Fuechtmann and was seconded by Council Member Wilber to pass Ordinance No. 832 Amending Chapter 112.15 A(1) to remove the City's appointing authority to the CBS Board with the exception of one City representative as well as provide amended bylaws by the first Council meeting in August. A vote being recorded as follows: For: Council Members Fuechtmann, Wilber, Leach and Mayor Stone. Against: Council Member Kelly. The motion passed.

- b. The City's proposed purchase of property across County 186 from the end of the turf runway at the airport continues to move forward. The City considered a Purchase Agreement submitted by the Seller at a prior meeting. Since that time, requests for reimbursement for moving expenses among other items have been received. The FAA authorizes certain expenses to be reimbursed following specific procedures and with proper documentation.

At the present time, the reimbursement requests are incomplete. In addition, with a switch from moving a residence to moving a business, alternate evaluations need to be completed.

The City's representatives are working with the Seller's attorney in an attempt to gather all the information needed to make a final recommendation to the City Council.

- c. During COVID the City was the recipient of ARPA (American Rescue Plan) funding.

The City allocated the funding to certain projects with a few of those projects remaining:

- City Hall Rooftop Air Handling and Ventilation Unit Replacement
- Accessibility Updates to the City Website
- Finalization of Council Chambers Technology

City Staff is working on obtaining estimates to determine which projects can move forward and will be looking for formal approval at a future meeting.

9. NEW BUSINESS

- a. The City's Rental Inspection and Licensing Program is now into its second year.

There remain a few landlords that have either refused to apply, indicate they will apply but don't follow through, or simply have gone dark.

These units are in general disrepair and possibly won't be able to pass inspection without significant improvement. The Council has the option to not issue a license as a rental or in certain cases proceed to condemnation.

City Staff will be taking next steps according to the Code to gain access and compliance which could include legal action which would come before the City Council.

In addition, the Ordinance Implementing the Code is being updated which will be before the City Council at a future date.

- b. With the upcoming licensing of cannabis related businesses which will allow for the cultivation and sale of cannabis, Stearns County has elected to consider a moratorium until they have any necessary regulations in place.

The Council considered the impact of the new licensing. Examples of items to be considered included how many licenses will we register (one per 12,500 residents required), and whether we want to restrict business within a certain distance from schools, daycares, or public parks which would entail adopting a “Sensitive Use” Overlay District.

By general consent, this was sent to the Policy Committee for their review/recommendation.

- c. The city received many complaints regarding cats residing in large numbers in certain areas. Many of these cats are feral and wild.

A “Feral Cat Roundup” is being planned to live trap cats, which is to begin summer 2024.

10. CONSENT AGENDA

The Council considered the following Consent Agenda Items:

a.	Schedule of Claims - Unpaid Claims	\$172,809.91
	Paid Claims	\$0.00
	Total	<u>\$172,809.91</u>

- b. Resolution No. 2024-54, Resolution Accepting Contributions.

Men’s Card Playing Group	\$141.77	Senior Center
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- c. Request from James Macey representing the Sauk Centre Lions for a road closure for a Soap Box Derby on Sunday, July 21, 2024 from 11:00 a.m. until 4:00 p.m. (3rd Street North from Ash Street to Birch Street)

- d. Temporary Extension of Premise Permit and road closure for a Sinclair Lewis Days Street Dance on July 20, 2024. The road closure request is a two block area from Main Street (Stoplights) to Elm Street from 6 a.m. – 3 p.m. and closed one block from Main to Oak Street from & 6 a.m. – 3 a.m. Eric Hellermann plans to close the road at 6:00 A.M. for the car show and street dance and re-open at 3:00 A.M. following clean-up. The fenced area will be from the Palmer House across to Geyerman’s and at the intersection of Elm Street. Also, partial closure of Oak Street from Sinclair Lewis Avenue up to the alley on both sides of the street till 4 p.m. for the car show.

The Car Show/Street Dance/Road Closure Permit will be sent to Jodi Teich at the County after Council approval.

- e. Request from Eric Hellermann dba Next Door Bar & Lounge VIII, LLC for Temporary Extension of Premise Permits for a 15th Anniversary Party with music on August 3, 2024 in the back parking lots (Next Door's & Food Shelf's) from 6:00 p.m. – 3 a.m.

A motion was made by Council Member Fuechtmann and was seconded by Council Member Leach to approve the Consent Agenda as presented. A vote being recorded as follows: For: Council Members Fuechtmann, Leach, Kelly, Fuechtmann and Mayor Stone. Against: None. The motion passed.

The Council thanked the Men's Card Playing Group for their donation.

11. INFORMATIONAL ITEMS

- a. No meeting June 19, 2024 – Federal Holiday.
- b. Step Advancements: Reynolds Step 4 effective June 1, 2024. Kowski Step 2 effective June 15, 2024.
- c. 2024 Concerts in the Park.
- d. Stearns County Roads 5 Year Plan.
- e. New voting equipment – Press Release.
- f. Spectrum lineup change.

12. ADJOURNMENT

A motion was made by Council Member Wilber and was seconded by Council Member Kelly to adjourn the meeting. A vote being recorded as follows: For: Council Members Wilber, Kelly, Leach, Fuechtmann and Mayor Stone. Against: None. The motion passed.

With no further business, Mayor Stone adjourned the meeting.

Respectfully submitted:

Mayor Warren Stone

City Administrator Vicki Willer