

**SAUK CENTRE CITY COUNCIL
REGULAR MEETING
WEDNESDAY, MAY 4, 2022**

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

The Sauk Centre City Council met in a Regular Meeting on Wednesday, May 4, 2022 at 6:30 p.m. due notice being given thereof. Present were Mayor Warren Stone, Council Members Diane Kelly, Joe Fuechtmann, Shalon Wilber and Heidi Leach. Also present were Engineer Keith Yapp, City Administrator Vicki Willer, Public Works Supervisor Ben Clink and City Planner Sarah Morton. Mayor Stone presided thereat.

2. APPROVAL OF AGENDA

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

3. APPROVAL OF MINUTES

A motion was made by Council Member Wilber and was seconded by Council Member Kelly to approve the April 20, 2022 Regular Meeting Minutes as presented. A vote being recorded as follows: For: Council Members Wilber, Kelly, Leach, Fuechtmann and Mayor Stone. Against: None. The motion passed.

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

None.

5. REPORTS/PRESENTATIONS

- a. Miranda Wendlandt, CliftonLarsonAllen, presented the City's 2021 Audited Financial Statements.

The primary responsibility of Clifton Larson Allen is to provide an opinion on the fairness of the presentation of the financial statements by reviewing internal controls, conduct a risk-based audit, determine scopes and tests of transactions.

There were no unusual transactions found.

Adjustments were made to record a capital expenditure payable, to recognize unearned ARPA revenue and to record a property tax receivable at the end of 2021. Two changes were made to include the Public Utility Debt in the City's financial statements and to change from straight line to utilizing an effective interest rate for amortization of premium on bonds.

There were no disagreements with management and no inconsistencies found. The Audit results reflect an unmodified opinion which is a clean audit which is the highest opinion they can give. Weaknesses are those shared by similar sized cities with a small staff which

doesn't allow for additional segregation of duties. Seven areas of legal compliance were evaluated with no findings noted.

b. The Park Board met on Tuesday, May 3, 2022 and discussed the following:

- Recommend hiring of seasonal employees
- Recommend approval of 2023 camping rates – see 7f
- Discussed changes to arena contract with Youth Hockey Association
- Discussion of surveillance cameras for splash pad/challenge park
- Exploring alternative options for Hickman Park playground equipment

c. Removed from agenda.

6. PUBLIC HEARINGS

a. Babbitt's Wine Bar, LLC On-Sale Wine and On-Sale 3.2 Beer Liquor Application.

Mayor Stone opened the Public Hearing and read the Public Hearing Procedure.

Babbitt's Wine Bar, LLC dba Babbitt's Wine Bar submitted the following to be effective June 1, 2022:

- City Application for a new On-Sale Wine & On-Sale 3.2 Beer Liquor License
- \$100.00 public hearing fee
- Certificate of Insurance Liability
- Workers Compensation documents
- Liquor License Fee
- Background check has been completed

Babbitt's Wine Bar will have glass and in-store bottle sales. Days of operation will be Wednesdays through Saturdays with closure at 9:00 p.m. Offerings will include wine, craft beer, small plates of food including local cheese. Seating capacity is 24 inside and 6 outside.

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

7. ACTION ITEMS

a. See 5a.

A motion was made by Council Member Kelly and was seconded by Council Member Leach to approve Resolution No. 2022-39, Resolution Accepting 2021 Audited Financial Reports. A vote being recorded as follows: For: Council Members Kelly, Leach, Fuechtmann, Wilber and Mayor Stone. Against: None. The motion passed.

b. See 6a.

A motion was made by Council Member Wilber and was seconded by Council Member Fuechtmann to approve Resolution No. 2022-41, Resolution Approving the Application of Babbitt's Wine Bar, LLC DBA Babbitt's Wine Bar for New On-Sale Wine and 3.2 Beer Liquor License to be located at 219 Oak Street South. A vote being recorded as follows: For: Council Members Wilber, Fuechtmann, Leach, Kelly and Mayor Stone. Against: None. The motion passed.

The Liquor License will be effective June 1, 2022.

- c. The City has contracted with Northland Securities to facilitate the sale of bonds for the 2022 Improvement Project.

The Council was presented the Municipal Advisory Agreement which outlines the details of the proposal with costs for the bond issuance.

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

- d. George Eilertson, Northland Securities, presented a proposal for the sale of a bond to finance the 2022 Improvement Project (2nd Street Project) in the amount of \$4,615,000.

Eilertson provided the following information:

- Structured with 15 year bond term
- Average interest rate approximately 3%
- Receiving bids July 20, 2022
- 36% debt to be paid for by assessments – balance to be levied

The timeline is as follows:

| | |
|-----------------|---|
| May 4, 2022 | City approves Resolution Providing for Sale of Bond |
| July 20, 2022 | Bids Open and Sale Awarded |
| August 18, 2022 | Bond Funds Available |

A motion was made by Council Member Kelly and was seconded by Council Member Leach to approve Resolution No. 2022-41, Resolution Providing for the Competitive Negotiated Sale of General Obligation Improvement Bonds, Series 2022A. A vote being recorded as follows: For: Council Members Kelly, Leach, Fuechtmann, Wilber and Mayor Stone. Against: None. The motion passed.

- e. Removed from agenda.
- f. The City Campground reservation software accepts reservations one year in advance. Beginning May 1, 2022 campers can begin reserving sites for May 1, 2023. In order to go

live with the 2023 reservation rates need to be set. The Park Board recommendrd the following:

| | |
|------------------------|---------------------------|
| Sunday - Thursday | \$40.00/night |
| Friday – Saturday | \$45.00/night |
| Weekly | \$250.00/week |
| Primitive | \$25.00/night |
| After Labor Day | \$35.00/night |
| After Labor Day Weekly | \$210.00/week |
| Seasonal | \$2,500.00/5 month season |

A motion was made by Council Member Wilber and was seconded by Council Member Kelly to approve the 2023 camping rates as presented. A vote being recorded as follows: For: Council Members Wilber, Kelly, Leach, Fuechtmann and Mayor Stone. Against: None. The motion passed.

g. The Chamber has also requested uses of various City parking lots, parks, and streets for Sinclair Lewis Days.

1. DJ on Trailer by Shelter for Kids/Band in Band Shell for Adults w/beer garden provided by American Legion/Pontoon & Boat Parade – Close Park Road & Use of SL Park – Friday, July 15 – 5:00 p.m. to Dusk.
2. Food Vendors – Use SL Parking Lot - Friday, July 15 – 5:00 p.m. to Dusk.
3. Fireworks - Close Park Road & Boat Landing for Fireworks Permit - Fri., July 15 – 6:00 p.m. to dusk.
4. Crazy Days – Use of Downtown Sidewalks for Crazy Days Sale, Sat. July 16.
5. Craft Fair/Family Fun Festival – Close Park Rd & Use of SL Park & Parking Lot – Sat., July 16, 7:30 a.m. to 4 p.m.
6. Chip Timed 5K & 1 Mile Run – Start/Finish by swings & playground equipment – Use of Trail & Close 1 Lane on Hickman Drive & Lake View Drive – Sat., July 16, 7 a.m. and 10 a.m.
7. Approval of Parade Road – Industrial Park – SL Ave.- Elm – 6th – Getty St – 10th to Civic Arena Parking Lot - Sat, July 16, 7:00 p.m.

A motion was made by Council Member Leach and was seconded by Council Member Fuechtmann to approve uses as requested by the Sauk Centre Chamber including road closures and parade route. A vote being recorded as follows: For: Council Members Leach, Fuechtmann, Kelly, Wilber and Mayor Stone. Against: None. The motion passed.

- h. The City and MnDot’s current 2018-2022 Master Partnership Contract is set to expire. A new Contract for 2022-2027 has been presented for approval by MnDot.

MPCs are umbrella contracts which allow local agencies and MnDOT to exchange goods and services. The MPC also allows MnDOT, if requested and authorized by the local agency, to deliver small, routine services to local agencies. These services include inspections, snow removal, incidental repairs, crack filling, among others. It also allows the City to provide services to MnDot.

A motion was made by Council Member Kelly and was seconded by Council Member Leach to approve Resolution No. 2022-43, Resolution Entering Into Master Partnership Agreement and 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.

- i. The third and final pay application has been received for Central Specialties for the Airport Maintenance Project. (sealcoating) The project has been completed and the Airport Consulting Engineer is recommending payment be made.

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|------------------------|---------------------|
| Original Contract | \$204,946.08 |
| Work Completed | <u>\$208,167.10</u> |
| Previous Payments Made | \$195,858.75 |
| Due this Payment | <u>\$12,308.35</u> |

A motion was made by Council Member Fuechtmann and was seconded by Council Member Kelly to approve Pay Request No. 3 to Central Specialties. A vote being recorded as follows: For: Council Members Fuechtmann, Kelly, Leach, Wilber and Mayor Stone. Against: None. The motion passed.

- j. Kathy Struffert, Ambulance Director, recommends that Josie Karasch be advanced from probationary EMT to EMT-B Level 1.

Ben Clink, Public Works Supervisor, recommends the appointment of Jordan Hartmann and Logan Meyer as Summer Seasonal Employees.

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|----------|------------------------|----------|---------|
| Karasch | EMT-B Level One | Step One | \$15.59 |
| Hartmann | Seasonal (40 hrs week) | Step One | \$12.62 |
| Meyer | Seasonal (20 hrs week) | Step One | \$12.62 |

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

8. UNFINISHED BUSINESS

- a. City Engineer Keith Yapp updated the Council on the 2022 2nd Street Project:
 - Two crews working on project currently
 - Within two weeks the mainline sewer and water will be in
 - Ahead of schedule
 - Two issues arose – 1) sewer backup in unfinished basement 2) Temporary waterlines frozen during cold snap
- b. City Engineer Keith Yapp updated the Council on the 2022 Industrial Park Project stating that due to rain, project has been put on hold.

9. NEW BUSINESS

- a. The school district has asked that the City proclaim May 21 as Margaret Shelby Day. Ms. Shelby is retiring from the school district as the Play Director, Speech, etc.

A motion was made by Wilber and was seconded by Fuechtmann to proclaim May 21 as Margaret Shelby Day. A vote being recorded as follows: For: Council Members Wilber, Fuechtmann, Leach, Kelly and Mayor Stone. Against: None. The motion passed.

10. CONSENT AGENDA

The Council considered the following Consent Agenda Items:

- a. Schedule of Claims -

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|---------------|---------------------|
| Unpaid Claims | \$120,279.33 |
| Paid Claims | <u>\$601,831.00</u> |
| Total | <u>\$722,110.33</u> |

- b. Resolution No. 2022-44, Resolution Accepting Contributions.

| | | |
|----------------------------------|--------------|----------------------|
| Men’s Card Playing Group | \$123.00 | Senior Center |
| Peter & Margaret Angell | \$225.00 | Shade Tree |
| Joseph & Debbie Kulzer | \$30.00 | Shade Tree |
| Jerome & Jania Rapp | \$20.00 | Senior Center |
| Milly Blank | \$20.00 | Senior Center |
| Cheryl Rusch | \$40.00 | Senior Center |
| Merle & Kathy Felling | \$100,000.00 | EDA – Housing Dev. |
| Sauk Centre Opportunities | \$250,000.00 | EDA – Housing Dev. |
| Great River Federal Credit Union | \$200.00 | Police Dept. – DARE |
| Sauk Centre Lions Club | \$750.00 | Outdoor Skating Rink |

- c. Request from Scott Kowski, representing the American Legion Post 67, has submitted an Application & Permit for a 1-Day Temporary On-Sale Liquor License for the Beer Garden during Sinclair Lewis Days in the Sinclair Lewis Park on July 15, 2022. Fee and Certificate of Insurance are being provided.
- d. Request from Scott Kowski, representing the American Legion Post 67, has submitted an Application & Permit for a 4-Day Temporary On-Sale Liquor License during the Stearns County Fair from July 27-30, 2022. Fee and Certificate of Insurance are being provided.

- e. Request from Scott Kowski, representing the American Legion Post 67, has submitted an Application & Permit for a 1-Day Temporary On-Sale Liquor License during the Stearns County Fair for July 31, 2022. Fee and Certificate of Insurance are being provided
- f. Request from Scott Kowski, representing the American Legion Post 67, has submitted an Application & Permit for a 1-Day Temporary On-Sale Liquor License at the Stearns County Fairgrounds for August 26-28, 2022. Fee and Certificate of Insurance are being provided.
- g. Gambling Application for Exempt Permit request from the Knights of Columbus Council 4863 for bingo and a raffle for July 27-31, 2022 at the Stearns County Fairgrounds.
- h. Request from Eric Hellermann dba Next Door Bar & Lounge VIII, LLC for Temporary Extension of Premise Permits for a Rock Band with music on May 21, 2022 in the back parking lots (Next Door's & Food Shelf's) from 6:00 p.m. – 3 a.m.
- i. Gambling Application for Exempt Permit request from the Sauk Centre Lions Club for pull-tabs and a raffle for July 28-31, 2022 at the Stearns County Fairgrounds.
- j. Request from Jeff Quistorff representing the Sauk Centre Lions for a road closure for a Soap Box Derby on Sunday, July 17, 2022 from 11:00 a.m. until 4:00 p.m. (3rd Street North from Ash Street to Pine Street and Birch Street from 4th Street N. to 2nd Street N.)
- k. Gambling Application for Exempt Permit request from the Sauk Centre Area Chamber of Commerce for a raffle for July 10, 2022 at the American Legion Post 67.

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

The Council thanked the above mentioned individuals/businesses for their generous donations.

11. INFORMATIONAL ITEMS

- a. Middle Sauk Water Festival – May 12, 2022 – Sinclair Lewis Park
- b. Citywide Cleanup Recycling Day – May 28, 2022 – 8:00 a.m. – Noon – Arena
- c. Hazardous Waste Dropoff – June 15, 2022 - 9:00 – 1:00 – Arena
- d. Annexation/Detachment Proceedings are Complete
- e. Circus – May 13, 2022

12. ADJOURNMENT

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

With no further business to come before the Council, Mayor Stone adjourned the meeting.

Respectfully submitted,

Mayor Warren Stone

City Administrator Vicki Willer