

**CITY OF SAINT PETER, MINNESOTA**

**OFFICIAL PROCEEDINGS**

**MINUTES OF THE CITY COUNCIL MEETING  
JANUARY 27, 2020**

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 on January 27, 2020.

A quorum present, Mayor Zieman called the meeting to order at 7:00 p.m. The following members were present: Councilmembers Keri Johnson, Shanon Nowell, Emily Bruflat, Bradley DeVos, and Mayor Chuck Zieman. Absent were Councilmembers Ed Johnson and Stephan Grams. The following officials were present: City Administrator Todd Prafke, Assistant City Attorney Christopher Grean and City Engineer Jeff Domras.

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

**Approval of Minutes** – Mayor Zieman noted a correction to the minutes to reflect the correct meeting date of January 13, 2020. A motion was made by Nowell, seconded by DeVos, to approve the minutes of the January 13, 2020 regular City Council meeting as corrected. With all in favor, the motion carried and the minutes were approved. A complete copy of the minutes of the January 13, 2020 regular City Council meeting is contained in the City Administrator's book entitled Council Proceedings 19.

**Consent Agenda** – In motion by Bruflat, seconded by Johnson, Resolution No. 2020-05 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. 2020-05 is contained in the City Administrator's book entitled Council Resolutions 23.

**Fire Hall Project Local Option Sales Tax** – City Administrator Prafke presented a resolution in support of a local option sales tax in the amount of one-half of one percent to be used to fund construction of a new Fire Station. Prafke asked the Council to determine if use of a sales tax was an appropriate revenue stream to finance the project and, if so, what amount (one-half of one percent or three-quarters of one percent) should be requested of the Minnesota Legislature. Prafke stated that in addition to the draft resolution in the packet calling for one-half of one percent, staff had prepared an additional resolution at the three-quarters of one-percent amount should the Council wish to consider the higher amount. Prafke noted staff had already identified the various regional impacts of the project, which was required for approval and that if approved by the Legislature, the question would be put to the voters as part of the November general election. Prafke asked the Council to analyze the risk of what amount of tax would be acceptable to both the Legislature and the voters and indicated if the sales tax was not approved, the project would be funded entirely by property tax increases.

Shannon Sweeney of David Drown Associates addressed the Council in his role as the City's financial advisor and indicated the \$9.1 million project (maximum expected cost), would be funded initially by a loan through USDA – Rural Development and generate an annual debt service of \$378,000 for forty (40) years at the current interest rate of 2.75%. Sweeney reported that a one-half cent sales tax is expected to generate \$260,000 towards the debt service with the remainder funded by property taxes. Sweeney also reported that if the sales tax was in place, the property tax increase for the remaining debt service would raise the annual tax on a \$100,000 home by \$14.27. Councilmembers thoroughly discussed the matter asking questions about whether the sales tax revenue would increase over time to pay a larger percentage of the debt service; whether the project cost could be less; the implications of having a higher rate than other jurisdictions in and around St. Peter; the Legislature's tolerance for requests of higher sales tax amounts; the public's willingness to tolerate property tax increases; and whether the request for a higher sales tax could be lowered should the Legislature deny the higher amount.

Mayor Zieman suggested a sales tax of .625% which would make the overall tax in St. Peter 8%.

In motion by DeVos, seconded by Johnson, Resolution No. 2020-06 entitled "Resolution Supporting The Authority To Impose A Local Sales Tax To Fund Specific Capital Improvements Providing Regional Benefit, To Establish The Duration Of The Tax, And The Revenue To Be Raised By The Tax, And To Authorize The City To Issue Bonds Supported By The Sales Tax Revenue" was introduced. Upon roll call, Councilmembers Bruflat, DeVos, Nowell and Johnson voting aye, Mayor Zieman voting nay, the Resolution was declared passed and adopted. A

complete copy of Resolution No. 2020-06 is contained in the City Administrator's book entitled Council Resolutions 23.

**Purchase Of Library Services Agreement With Nicollet County** – City Administrator Prafke recommended authorization be provided for execution of a contract with Nicollet County that would provide funds from the County for the City's provision of library services to rural county residents. Prafke noted the \$50,044 in funds offered as part of the contract was the same as in 2019 which did not keep pace with increasing library costs and/or inflation. Prafke reported the City and North Mankato had jointly requested additional funding from the County and were turned down. In motion by Nowell, seconded by Bruflat, Resolution No. 2020-06 entitled "Resolution Authorizing Execution Of Library Services Contract" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2020-07 is contained in the City Administrator's book entitled Council Resolutions 23.

**2020 Equipment Certificate Purchase: Pool Heater** – Public Works Director Moulton requested authorization to purchase a replacement pool heater for the outdoor pool from Horizon Commercial Pool Supply in the amount of \$21,837.95. Moulton indicated funding for the purchase had been budgeted in the 2020 Equipment Certificate. In motion by Bruflat, seconded by Johnson, Resolution No. 2020-08 entitled "Resolution Authorizing 2020 Equipment Certificate Purchase: Pentair Powermax Pool Heater" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2020-08 is contained in the City Administrator's book entitled Council Resolutions 23.

**River's Edge Hospital Equipment Purchase Requests** – River's Edge Hospital CFO (Acting CEO) Lori Zook, addressed the Council to present two purchases recommended by the Hospital Commission, the first being Cisco Identify security software that would restrict vendor access to the Hospital's system to their own data. Zook indicated the purchase in the amount of \$54,202 would be funded by Hospital funds. Councilmember Bruflat questioned whether purchase of software from other vendors had been explored. Zook reported only Cisco software would work with the existing software platform used by the Hospital. In motion by Bruflat, seconded by Nowell, Resolution No. 2020-09 entitled "Resolution Approving Purchase Of Software To Be Used For Securing Access To Hospital Users And Devices For River's Edge Hospital And Clinic" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2020-09 is contained in the City Administrator's book entitled Council Resolutions 23.

Zook also provided information on the proposed purchase of two anesthesia workstations to be used in the two new operating rooms. The "carts" would allow staff to better document pharmaceutical waste, use, discrepancies and allow easier access to anesthesia drugs during surgeries. Zook recommended purchase of the carts from Omnicell in the amount of \$65,776.97. In motion by Johnson, seconded by Nowell, Resolution No. 2020-10 entitled "Resolution Approving Purchase Of Anesthesia Workstations For River's Edge Hospital And Clinic" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2020-10 is contained in the City Administrator's book entitled Council Resolutions 23.

## **Reports**

**Mayor's Report** – Mayor Zieman thanked the members of the Fire Department for their work organizing the youth fishing contest at Hallett's Pond. Zieman reported 130-140 children participated.

**Advisory Board Vacancies** – City Administrator Prafke noted advisory board vacancies remain on the Planning and Zoning Commission and Economic Development Authority and urged residents interested in appointment to either board to contact his office.

**Medallion Hunt Reminders** – City Administrator Prafke provided the annual words of caution for anyone participating in the Winterfest medallion hunt. Prafke noted the medallion would be on public property, but it would be on top of the ground and not in any restricted area.

**Minnesota Housing Meeting** - City Administrator Prafke reported the Minnesota Housing Finance Agency was hosting a regional meeting on housing issues in St. Peter on January 30<sup>th</sup> and more than 70 people would be in attendance.

**Newly Elected Officials Conference** – Councilmembers Johnson, Bruflat, Nowell and DeVos reported on their attendance at the League of Minnesota conference for newly elected officials.

Each indicated the sessions were valuable and provided information that would be beneficial as they began their term of service on the City Council.

**Executive Session: Land Sale – Former Wastewater Treatment Ponds** – Mayor Zieman presented a resolution calling for a closed session, as allowed under State Statute, to discuss sale of the City’s former wastewater treatment ponds property. In motion by Nowell, seconded by DeVos, Resolution No. 2020-11 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. 2020-11 is contained in the City Administrator’s book entitled Council Resolutions 23.

The Council adjourned to closed session in the Traverse des Sioux Room at 8:08 p.m.  
The Council returned to open session at 8:28 p.m.

There being no further business, a motion was made by Nowell, seconded by Bruflat, to adjourn. With all in favor, the motion carried and the meeting adjourned at 8:29 p.m.

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Charles Zieman  
Mayor

ATTEST:

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Todd Prafke  
City Administrator