

CITY OF SAINT PETER, MINNESOTA
OFFICIAL PROCEEDINGS
MINUTES OF THE CITY COUNCIL MEETING
FEBRUARY 22, 2021

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Saint Peter was conducted in the Governor's Room of the Community Center and by virtual software on February 22, 2021. Under M.S. 13D.021, the City is able to conduct meetings by electronic means in the event of a state-wide emergency. Governor Walz has declared a state-wide peacetime emergency and as such the City Council meeting was conducted both in-person and remotely using GoToMeeting software.

A quorum present, Mayor Zieman called the meeting to order at 7:00 p.m. The following members were present through the virtual platform: Councilmembers Shanon Nowell, Brad DeVos, Stephan Grams, and Emily Bruflat. The following members were present in the meeting room: Mayor Charles Zieman and Councilmembers Ed Johnson and Keri Johnson. The following officials were also present: City Administrator Todd Prafke (in person), City Attorney James Brandt (in person) and City Engineer Jeff Domras (in person).

Approval of Agenda - A motion was made by Johnson (E), seconded by Nowell, to approve the agenda. With all in favor, the agenda was approved.

Approval of Minutes – A motion was made by Johnson (K), seconded by Bruflat, to approve the minutes of the February 8, 2021 regular City Council meeting. With all in favor, the minutes were approved. A complete copy of the minutes of the February 8, 2021 regular City Council meeting is contained in the City Administrator's book entitled Council Proceedings 19.

A motion was made by Bruflat, seconded by Johnson (E), to approve the minutes of the February 16, 2021 special City Council meeting. With all in favor, the minutes were approved. A complete copy of the minutes of the February 16, 2021 special City Council meeting is contained in the City Administrator's book entitled Council Proceedings 19.

Public Hearing: Administrative Lot Split Request – Mayor Zieman opened the public hearing on a petition for an administrative lot split at 7:03 p.m. Community Development Director Wille reported Brad Baker had applied for an administrative lot split to divide Lots 10, 11, 12 and 13 and the remnant of realigned North Third Street right-of-way in Norman's Subdivision to create two developable lots. Wille noted the applicant had submitted a Certificate of Survey prepared by an engineer and the Planning Commission recommended approval of the request. Mayor Zieman reviewed the process for conducting public hearings and asked if the applicant wished to speak or if anyone from the public wished to speak. There being no further speakers, the hearing was declared closed at 7:08 p.m.

Public Hearing: Street/Alley Vacation (Hatch Street/north-south alleys) – Mayor Zieman opened the public hearing on the requested vacation of Hatch Street and north-south alleys on the blocks encompassing the new Kwik Trip location at 7:09 p.m. Community Development Director Wille indicated Kwik Trip, Inc. had purchased the former St. Peter Ford property at 100 Dodd Avenue and had petitioned for the vacation of Hatch Street and the north-south alleys within Blocks 101 and 102, Town of Traverse des Sioux (now City of Saint Peter). Wille noted the former owner of the property had built the building and paved over the existing street and alleyways on the property but the applicant wished to ensure clear title to the property and had petitioned for the vacations. Wille pointed out a last minute addition to the proposed resolution, which had been emailed to all Councilmembers, which provided for authorization for the Mayor and City Administrator to execute a quit claim deed with the current owner of the site, Hennek Business Holdings, for a strip of City owned right-of-way which is undevelopable on its own. Wille also pointed out the Planning Commission had recommended approval of the vacation and noted no private utility provider had expressed opposition to the vacations.

Representing Kwik Trip, Dean George of 1626 Oak Street, La Crosse, Wisconsin, addressed the Council to express appreciation for their action on the request and to say Kwik Trip looks forward to opening a second location in St. Peter. George also stated the new building would be under construction next year. There being no further speakers, the hearing was declared closed at 7:12 p.m.

Consent Agenda – In motion by Nowell, seconded by Johnson (K), Resolution No. 2021-31 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. 2021-31 is contained in the City Administrator's book entitled Council Resolutions 23.

North Third Street, Center and McLeod Streets From West St. Julien To 1,000 Feet North Project Debt Issuance – Shannon Sweeney of David Drown Associates, the City’s financial consultants, presented a recommendation to issue \$720,000 in general obligation bonds to finance the North Third Street, Center and McLeod Streets From West St. Julien To 1,000 Feet North Project. Sweeney recommended competitive negotiated sale of the bonds be authorized for a fifteen year term to match the length of the proposed assessments to benefitting property owners. Sweeney estimated an annual debt service on the issuance of \$53,000 which would be funded by the assessments and transfers from the water and stormwater funds. Sweeney noted the bonds would be callable in 2028, the issuance would include purchase of a credit rating, and the projected interest rate would be less than 1.5% which is a historic low. If the Council authorized initiation of the sale, Sweeney recommended receipt of bids on March 22nd with Council award that same night and closing on the bonds on April 6th which would be in plenty of time for the start of construction.

In motion by Johnson (E), seconded by Johnson (K), Resolution No. 2021-32 entitled “Resolution Providing For The Competitive Negotiated Sale Of \$720,000 General Obligation Improvement Bonds, Series 2021A” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2021-32 is contained in the City Administrator’s book entitled Council Resolutions 23.

2016 Traverse Green Subdivision Debt Refunding – Mr. Sweeney also recommended taking advantage of the low interest rates by refunding the 2016A General Obligation bonds issued to finance improvements in Traverse Green Subdivision with a new \$2.120 million issuance that would be for the same term as the original bonds but which would result in a savings of at least \$125,000 after issuance costs. Sweeney also pointed out that selling both series of bonds at the same time would allow the City to take advantage of one credit rating purchase. Sweeney did caution that Mankato had completed a similar sale on February 22nd and noted interest rates were starting to increase again. Sweeney pointed out that if it seemed the projected savings could not be realized, the Council could choose to not move forward with the sale, but if they did choose to continue, the timeline for the sale would be March 22nd but closing would be delayed until April 22nd to allow the required thirty (30) days’ notice for call of the original bonds.

In motion by Grams, seconded by DeVos, Resolution No. 2021-33 entitled “Resolution Providing For The Competitive Negotiated Sale of \$2,120,000 General Obligation Tax Increment Refunding Bonds, Series 2021B” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2021-33 is contained in the City Administrator’s book entitled Council Resolutions 23.

Administrative Lot Split Request – Following the public hearing, Community Development Director Wille presented the Planning and Zoning Commission recommendation for approval of the request by Brad Baker for an administrative lot split for Lots 10-13 of Normans Subdivision and the remnant North Third Street right-of-way. In motion by Johnson (E), seconded by Nowell, Resolution No. 2021-34 entitled “Resolution Approving Waiver Of Subdivision For Lots 10-13, Normans Subdivision, City Of Saint Peter, Nicollet County, Minnesota And Accepting The Administrative Lot Split (Certificate Of Survey) Realigning And Relocating The Interior Lot Line Between Lots 11 And 12” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2021-34 is contained in the City Administrator’s book entitled Council Resolutions 23.

Hatch Street/Alley Vacation Request – Following the public hearing, Community Development Director Wille presented the Planning and Zoning Commission recommendation for approval of the vacation of Hatch Street and the north-south alleys in Blocks 101 and 102, Plat of Traverse des Sioux. Wille also reminded the Council of the resolution modification that would allow execution of a quit claim deed for abutting property from the City to Hennek Business Holdings, LLC. In motion by Johnson (K), seconded by Bruflat, Resolution No. 2021-35 entitled “Resolution Approving Vacation Of Hatch Street And North-South Alleys As Platted Between And Within Blocks 101 And 102, Plat Of Traverse Des Sioux And Execution Of A Quit Claim Deed to Hennek Business Holdings LLC” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2021-35 is contained in the City Administrator’s book entitled Council Resolutions 23.

Lease of Agricultural Land (Annexstad) – City Attorney Brandt recommended approval for execution of a lease with Brett A. Annexstad to farm approximately eleven acres of City owned land for the 2021 growing season. Brandt indicated Mr. Annexstad had entered into a similar lease for the past few years and the rent was at the same rate as in 2020. Mayor Zieman suggested multi-year leases be considered in the future if Mr. Annexstad was agreeable. Brandt indicated he would forward the idea to Mr. Annexstad. In motion by Bruflat, seconded by Nowell,

Resolution No. 2021-36 entitled “Resolution Authorizing Execution Of A One-Year Lease Of Outlot A, Magner Farm Second Subdivision By And Between The City Of Saint Peter And Brett R. Annexstad” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2021-36 is contained in the City Administrator’s book entitled Council Resolutions 23.

LRIP Sponsorship Resolution – Public Works Director Moulton requested authorization to submit grant applications to the MnDOT Local Road Improvement Program (LRIP) for funding to help pay for three separate projects: improvement of Township Road #361 which is currently a gravel road; improvement of the Broadway Avenue/Sunrise Drive intersection (traffic control issues); and improvement of the Old Minnesota Avenue/West St. Julien Street intersection (traffic control issues). Moulton noted the largest grant that could be received for each project is \$1,250,000 and if the projects were to move forward, Municipal State Aid funds would be used to finance the remaining costs. Councilmember Johnson (K) asked if the County and Township would provide letters of support for the projects. Public Works Director Moulton and City Administrator Prafke reported the County was willing to submit a letter for the Township Road project, but unwilling to do so for the other projects which they believed competed with their own grant applications.

In motion by Bruflat, seconded by Grams, Resolution No. 2021-37 entitled “Resolution Of Support For An Agreement In Pursuit Of 2021 Local Road Improvement Program Funding From MnDOT For Projects To Improve Township Road 361; Broadway Avenue And Sunrise Drive Intersection; And The Old Minnesota Avenue And West St. Julien Street Intersection” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2021-37 is contained in the City Administrator’s book entitled Council Resolutions 23.

Fire Relief Pension Increase Request – City Administrator Prafke recommended approval of a request by the St. Peter Fire Relief Association Board to increase the per year pension amount from \$3,000 to \$3,500 effective March 1, 2021. Prafke noted the fund is “very strong” and reminded the Council the City has not paid into the fund for a number of years as it is over 100% solvent. Prafke also informed the Council the primary funding source for the pension benefit for volunteer Firefighters is the two percent (2%) State surcharge on fire insurance premiums. In motion by DeVos, seconded by Nowell, Resolution No. 2021-38 entitled “Resolution Approving Fire Relief Association Retirement Benefit Increase” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2021-38 is contained in the City Administrator’s book entitled Council Resolutions 23.

Business License Applications – City Administrator Prafke recommended approval of the business license applications (3.2 On-Sale Beer, Tobacco and Soft Drink) for the new owners of the Freedom Value Station #24. Prafke noted nothing had been discovered in the background investigation that would prohibit issuance of the licenses. In motion by Johnson (K), seconded by Johnson (E), Resolution No. 2021-39 entitled “Resolution Approving Business License Applications” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2021-39 is contained in the City Administrator’s book entitled Council Resolutions 23.

Reports

House/Senate Committee Testimony (Sales Tax Exception) – Mayor Zieman reported on his testimony before subcommittees of both the House and Senate related to the City’s request for exemption from the sales tax on materials for the Fire Station project. City Administrator Prafke reported the local option sales tax bills may be heard the first week in March.

Closed Session Discussion 02/08/2021 (City Administrator Contract) – City Administrator Prafke reported, as required by Statute, on the closed session held on February 8th to discuss his contract.

City/County Meeting Discussion – City Administrator Prafke and Councilmember Johnson (K) provided a report on discussion at the February 17, 2021 City/County meeting which included LRIP grant applications, solid waste and Project 33 among many other topics.

In light of the severe weather in Texas which had left hundreds of thousands without power, heat and drinking water, Councilmember Nowell asked for information on the City’s electric system reliability and/or vulnerability. Public Works Director Moulton provided information on the reliability of the City’s underground lines as compared to Texas’ overhead system; the benefits of having power feed into St. Peter from two different directions; the availability of the electric

generation plant to provide power in the event power couldn't get into the City; all City buildings including the Hospital already having standby generators; and the redundancy and reliability of the MISO system which is not available to the Texas power companies.

Mayor Zieman reflected on the untimely death of City Building Official Dean Busse. Calling him a "gentle soul", Zieman noted that Mr. Busse will be greatly missed.

There being no further business, a motion was made by Johnson (E), seconded by Johnson (K), to adjourn. With all in favor, the motion carried and the meeting adjourned at 8:14 p.m.

Edward Johnson
Mayor pro tem

ATTEST:

Todd Prafke
City Administrator