

CITY OF SAINT PETER, MINNESOTA
OFFICIAL PROCEEDINGS
MINUTES OF THE CITY COUNCIL MEETING
OCTOBER 26, 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 Senior Center of the Community Center and by virtual software on October 26, 2020. 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 this 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 present: City Administrator Todd Prafke (virtual), City Attorney James Brandt (in person) and City Engineer Jeff Domras (virtual).

Approval of Agenda – Mayor Zieman announced that item A under New Business, North Traverse Green Subdivision Development Agreements, would be removed again as the final details had not yet been worked out. A motion was made by Nowell, seconded by Johnson (E), to approve the agenda. With all in favor, the agenda was approved.

Approval of Minutes – A motion was made by Johnson (E), seconded by Bruflat, to approve the minutes of the special joint City Council/Hospital Commission meeting on October 12, 2020. With all in favor, the motion carried and the minutes were approved. A complete copy of the minutes of the October 12, 2020 special joint City Council/Hospital Commission meeting is contained in the City Administrator's book entitled Council Proceedings 19.

Councilmember Johnson (K) requested a correction to the meeting date in the first paragraph in the draft minutes of the October 12, 2020 regular meeting. With all in favor, the minutes were approved as corrected. A complete copy of the minutes of the October 12, 2020 regular City Council meeting is contained in the City Administrator's book entitled Council Proceedings 19.

Public Hearing: City Code Modifications – Gateway Regulations – Mayor Zieman reviewed the process for conducting public hearings and then opened the public hearing on a petition to modify City Code language regarding gateway regulations at 7:05 p.m. Community Development Director Wille reviewed the petition submitted for modification to language in the City Code related to gateway district regulations and the original intent of the regulations which was to “promote high quality development in the Highway 169 corridor”. Wille indicated petitioner Brad Baker had found the regulations would make his proposed field house project cost prohibitive and was asking to modify the language to require certain design standards on buildings within the gateway districts on only the sides of the building “exposed to a public street or park”. Wille noted the language currently requires the design standards on all four sides. Wille stated the Planning and Zoning Commission had recommended approval, but the Commission had also considered removing the Baker parcel from the gateway overlay district and/or considering Code modifications that would provide for two tiers of standards based on a property's location in the Gateway Overlay District.

Brad Baker, 3328 West 55th Street in Edina, addressed the Council to indicate his preference was to remove his property from the gateway overlay district because it is not visible from Highway 169, but in lieu of that was requesting the City Code modification which would lower the cost of his project.

There being no further speakers, the hearing was declared closed at 7:13 p.m.

Public Hearing: North Third Street Improvement Project – Mayor Zieman opened the public hearing on the proposed project to improve North Third Street from West St. Julien Street to a point 1,000' to the north, Center Street and McLeod Street at 7:13 p.m.

Public Works Director Moulton and City Engineer Jeff Domras reviewed the proposed project to improve North Third Street from the intersection with West St. Julien Street to a point 1,000 feet to the north, along with Center and McLeod Streets. Domras reported the feasibility study on the project had shown the project to be necessary, cost effective and feasible from an engineering standpoint and would correct roadway condition and drainage issues by installation of curb, gutter, utilities, and hard surface roadways. Domras reviewed the proposed assessments and City costs based on the City's assessment policy.

James Wendroth – 32516 Mockingbird Hill, St. Peter expressed opposition to the project stating he had no intention of developing his property and would not need utilities or street improvements. Wendroth also asked for clarification on water runoff and his preference for

driveover style curbs to be installed if the project moved forward. He asked to be on record as not being in favor of the project.

Due to technical difficulties with virtual participants being able to hear some of the speakers, Domras did not respond to Wendroth's question about the water runoff, however, Domras indicated the City's public infrastructure standards do not currently allow for driveover curbs.

Kari Leonard – 1420 North Third Street, objected to the assessment of her property indicating she was still paying off a 2014 assessment in the amount of \$11,400 for connection to City water service and she felt the proposed assessment of any further costs to her property would not provide any value to her home. Leonard stated her belief that assessing her for the project would be "unconstitutional". Domras indicated Ms. Leonard's property was one of the large frontages along the project route and the most recent estimate for her assessment was \$44,000. Domras assured the Council the current project would not "double up" on the costs she had already been assessed as the City was bearing the cost of the water service to her home.

City Attorney Brandt discussed the legal ramifications of the assessment process under Minnesota Statutes 429 which requires the property value to increase by the amount of the assessments to the property.

There being no further speakers, the hearing was declared closed at 7:36 p.m.

Consent Agenda – In motion by Johnson (K), seconded by Bruflat, Resolution No. 2020-123 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. 2020-123 is contained in the City Administrator's book entitled Council Resolutions 23.

City Code Modification Request: Gateway Regulations – Community Development Director Wille presented the Planning Commission recommendation for modification to the City Code language related to Gateway Overlay District regulations. As noted during the public hearing, Wille indicated the proposed modification would limit the required enhanced design features on any building located within a Gateway District to only those sides of the building facing a park or street. Councilmembers had extensive discussion about the proposed modification and the other options considered by the Planning Commission (removal of the petitioner's property from the Gateway Overlay District and development of two-tiered regulations that would provide more strict design for properties on the east side of the Highway/Old Minnesota Avenue and a lesser standard for properties on the west sides). Mayor Zieman questioned if the sixty day response rule in State Statute applied to the question. City Attorney Brandt indicated the action is an ordinance change only as such, the sixty day rule did not apply. Community Development Director Wille indicated the petitioner had indicated he may not construct until spring so there was time for further discussion on the matter. Several Councilmembers expressed a desire for additional discussion by the Planning and Zoning Commission.

A motion was made by Bruflat, seconded by Johnson (E), to table discussion on the proposed ordinance and direct the Planning and Zoning Commission to have additional discussion on the proposal. With all in favor, the motion carried and action was tabled.

North Third Street Project Improvement Order – Public Works Director Moulton recommended action to order the improvement of the portion of North Third Street from the intersection of West St. Julien Street to a point 1,000' to the north, Center Street and McLeod Street and noted the approval must be by four-fifths vote of the Council. Councilmember Johnson (E) questioned the percentage of property owners in favor of the project. Moulton noted that seven have not yet signed the waiver of assessment form, two of which do not want to pay for the project, but Alumacraft has given verbal commitment to do so and has hired an engineer to design their own stormwater system. City Administrator Prafke noted that the action is not approval for the project to take place as the bidding must still be completed and once bids are received, the actual assessment amounts would be recalculated.

Councilmember Johnson (K) reported she had received a call from the owner of the property at 1813 North Third Street, concerned about being told she would have to remove a cement slab she had received a "permit" to install eleven years ago. Moulton noted that was a different project (a different part of North Third Street) and staff was already working to address the property owners concerns.

In motion by Nowell, seconded by Johnson (K), Resolution No. 2020-124 entitled "Resolution Ordering Improvement And Preparation Of Plans For North Third Street, Center And McLeod Streets From West St. Julien Street To 1,000 Feet North Project" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2020-124 is contained in the City Administrator's book entitled Council Resolutions 23.

North Third Street Project Preliminary Engineering Authorization – Public Works Director Moulton recommended Bolton and Menk, Inc. be retained to provide preliminary design services for the project at a cost of \$55,700. In motion by Grams, seconded by Johnson (E), Resolution No. 2020-125 entitled “Resolution Retaining Bolton and Menk, Inc. To Provide Design Services For North Third Street, Center And McLeod Streets From West St. Julien Street To 1,000 Feet North Project” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2020-125 is contained in the City Administrator’s book entitled Council Resolutions 23.

2021-2022 Wastewater Fund Budget – Finance Director Vogel reviewed the details of proposed budgets for the Wastewater Fund for calendar years 2021 (total amount of \$3,860,420) and 2022 (total amount of \$4,242,173). Vogel noted there were no rate increases recommended in either year and a \$1.1 million transfer to the Water Fund is planned in 2022 which will also eliminate the need for rate increases in the Water Fund. Vogel noted the budget would be reviewed at the end of calendar year 2021. Mayor Zieman questioned why the Water and Wastewater Funds are not combined into one fund. City Administrator Prafke noted that in the long term, combining the funds may adversely affect any debt issue and the City’s ability to secure low cost financing for projects. Prafke also noted that it was considered “best practices” to keep the funds separate.

In motion by Johnson (E), seconded by Bruflat, Resolution No. 2020-126 entitled “Resolution Adopting The 2021-2022 Wastewater Fund Budget” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2020-126 is contained in the City Administrator’s book entitled Council Resolutions 23.

2021-2022 Water Fund Budget – Finance Director Vogel also reviewed the details of the proposed budgets for the Water Fund for calendar years 2021 (total amount of \$3,488,845) and 2022 (total amount of \$3,749,094). Vogel reported the Water Fund had a stable revenue stream and revenues were flat. Vogel also pointed out that current Water Fund debt would be paid off in 2028-2029. In motion by Grams, seconded by Johnson (K), Resolution No. 2020-127 entitled “Resolution Adopting The 2021-2022 Water Fund Budget” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2020-127 is contained in the City Administrator’s book entitled Council Resolutions 23.

Reports

Mayor’s Report – Mayor Zieman reminded everyone to vote, either early by absentee or in-person on November 3, 2020.

COVID-19 Update – City Administrator Prafke indicated the Economic Development Authority was considering a recommendation to convert the COVID-19 micro loans issued earlier in the year from loans to grants. Prafke reported he expected the Council to consider the recommendation at the first regular meeting in November.

Executive Sessions – Mayor Zieman presented City Administrator Prafke’s request for two closed sessions as authorized under State Statute to discuss an offer to purchase the City owned land at 1830 Freeman Drive and contract negotiations with the International Union of Operating Engineers Local No. 70 (Utilities). In motion by Nowell, seconded by Johnson (E), Resolution No. 2020-128 entitled “Resolution Calling For Closed Sessions” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2020-128 is contained in the City Administrator’s book entitled Council Resolutions 23.

The Council adjourned to closed session to discuss the proposed land sale at 8:42 p.m. The Council returned to open session at 9:01 p.m.

The Council adjourned to closed session to discuss union contract negotiations at 9:03 p.m. The Council returned to open session at 9:33 p.m.

There being no further business, a motion was made by Johnson (E), seconded by Bruflat, to adjourn. With all in favor, the motion carried and the meeting adjourned at 9:34 p.m.

Charles Zieman
Mayor

ATTEST:

Todd Prafke

City Administrator