

**MINUTES OF THE REGULAR MEETING  
OF THE ZIMMERMAN CITY COUNCIL  
MONDAY, FEBRUARY 27, 2023**

**CALL TO ORDER**

The regular meeting of the Zimmerman City Council was called to order at 7:00 p.m. at City Hall by Mayor Stay, followed by the Pledge of Allegiance.

**ROLL CALL**

Present: Mayor Stay, Council Members Dahl, Earenfight and Whiting. Member Farber was excused absent. Also present was Administrator Piasecki, Clerk/Treasurer Tillmann, Public Works Director Koehler, Streets, Park and Utilities Supervisor Dallager and Engineer Bittner.

**AGENDA APPROVAL**

**Earenfight/Whiting unanimous to approve the agenda with the following addition:**

- **TH 169 Project Update – Administrator’s Report**

**APPROVAL OF MINUTES**

**Whiting/Dahl unanimous to approve the minutes of the February 6, 2023 Regular Meeting of the City Council as presented.**

**CONSENT AGENDA**

**Whiting/Dahl unanimous to approve the consent agenda as presented as follows:**

- a. Approve the payment of claims (checks #44955 - #44982) in the amount of \$17,018.81 and electronic payments (e-check #2624 - #2636) in the amount of \$97,606.97 as presented.
- b. Authorize payment to Bolton & Menk in the amount of \$55,646.95 (ck #44983), as identified on invoice #305486 for Wells #4 & #5/Water Treatment Plant Improvements for the period of November 26 – December 23, 2022, as recommended by staff.
- c. Authorize payment to Nero Engineering in the amount of \$13,800.00 (ck #44984), as identified on invoice #1325 for services provided for the WWTP Facility Expansion Plan for the period of November, 2021 – January 31, 2023, as recommended by staff.
- d. Accept and approve the SafeAssure Service Agreement for 2023 safety training and consulting services, approving payment in the amount of \$9,245.73 (ck #44985), as requested and recommended by staff.
- e. Authorize payment to the Zimmerman/Livonia Fire District in the amount of \$84,611.43 (ck #44986) as first-half payment for 2023 Fire Protection Services as recommended by staff.
- f. Approve the permit application for fireworks sales for Jim Kreml dba Funworks Fireworks, 24690 – 116<sup>th</sup> Street, Zimmerman, MN 55398, at the location of Angeno’s Pizza and Pasta/Zimmerman Bar & Grill, 13100 Fremont Avenue, Zimmerman, for the period of May 22 – July 15, 2023, as requested.

**OPEN FORUM**

There was no one present to address the Council during Open Forum.

**PUBLIC WORKS REPORT**

**Bid Results – 269<sup>th</sup> Avenue Reconstruction**

**Kevin Bittner, City Engineer, Bolton & Menk**, was present to discuss bid results for the proposed 269<sup>th</sup> Avenue Reconstruction project. Thirteen (13) bids were received, with the apparent low bidder being Douglas-Kerr Underground at \$1,944,637.04. The engineer’s estimate for the project was \$2,100,000.00. Bolton & Menk has worked with Douglas-Kerr Underground on previous projects and feels they are competent and fully capable of completing the project to the City’s standards. Council has 60 days to either accept or reject the bid.

**Stay/Earenfight unanimous to table consideration the bid award for the reconstruction of 269<sup>th</sup> Avenue until March 20, 2023. Motion carried.**

City Council acknowledged the efforts of the Public Works Department with the recent snowfalls, expressing their gratitude for maintaining City roads as quickly as possible.

**ADMINISTRATOR’S REPORT** – presented by City Administrator Randy Piasecki

**Resolution of Support for Sherburne County RAISE Grant Application**

In 2020 Council approved City participation in the County’s preparation of a federal BUILD Grant application to potentially fund a TH 169 interchange. Sherburne County Public Works and City staff worked with SRF (traffic engineering consultants) to prepare and submit the BUILD Grant in May 2020. Unfortunately, the County’s grant request was not approved. In 2021 and 2022, the City Council adopted resolutions of support and approval for grant applications to the U.S. Department of Transportation for the “Rebuilding American Infrastructure with Sustainability and Equity” or RAISE Grant, which would fund up to \$25M of costs associated with a TH 169/CSAH 4 interchange. Neither of those grant applications were funded.

Sherburne County is applying for 2023 RAISE Grant funding for the project. The City’s resolution would be included in the County’s grant application submission, along with letters of support from local agencies, developers and affected landowners impacted by or adjacent to TH 169. The application is another attempt to secure grant funding to convert the TH 169/CSAH 4 intersection into an interchange to protect residents and the traveling public.

**RESOLUTION #23-02-05      Whiting/Stay unanimous to adopt RESOLUTION #2023-02-05, supporting and approving of Sherburne County’s submission of a RAISE Grant Application for the construction of an interchange at the TH 169/CSAH 4 intersection, as requested and as recommended by staff. Motion carried.**

**Bond Financing Engagement Letter – Northland Securities**

In 2022, the City entered into a financial planning agreement with Northland Securities for general city projects. Staff has discussed financing upcoming projects such as the water treatment plant/tower and 269<sup>th</sup> reconstruction with Northland advisors. While the City has pursued funding through the MN Public Facilities Authority (PFA) for the current well #s 4 & 5 construction, the PFA currently does not have financing available to fund the water treatment plant/tower until a state bonding bill is passed later this legislative session. The City can pursue “gap financing” for expenses in the meantime, with engineers estimating expenses of \$5 – 7 million PFA funding becomes available.

Northland advisors have suggested this may be an opportunity to investigate the private bond market to finance these projects vs. utilizing PFA on the water plant, and city/other resources for 269<sup>th</sup> reconstruction. Entering into the engagement letter does not commit the City to alternative financing but does enable Council and staff to investigate other financing options as we start to undertake several high cost projects. There is no obligation to issue bonds, and Northland does not collect fees unless the City opts to issue bonds. Staff recommends Council authorize execution and return of the engagement letter, starting the bond financing research and reporting.

**Stay/Earenfight unanimous to execute the engagement letter with Northland Securities to serve as bond underwriter for potential 2023 bond financing, authorizing the City Administrator to sign said agreement, on file in the Clerk’s Office, as recommended by staff. Motion carried.**

City staff are also working cooperatively with Bolton & Menk to gather required information to submit a funding application to the MN Public Facilities Authority (MN PFA) for the water tower/water treatment plant for when funding does become available. The estimated loan amount is \$10,406,800 and will be based on the actual bid cost of the project plus allowable engineering and legal expenses. To be reimbursed for project related expenses

prior to funding being available, Council must adopt a resolution authorizing the loan application to the PFA, stating the City has the legal capacity to oversee development of the project and repay the loan, should the loan application be approved.

**RESOLUTION #23-02-06      Whiting/Stay unanimous to adopt RESOLUTION #2023-02-06, attesting the City has the legal authority to apply to the MN Public Facilities Authority (PFA) for a loan from the Drinking Water Revolving Fund for improvements to the City’s drinking water system, and the financial, technical and managerial capacity to repay the loan and ensure proper construction operation and maintenance for the design life of the project; and intends to use proceeds from the loan to reimburse any construction expenditures made prior to the issuance of the general obligation bond to the PFA. Motion carried.**

TH 169 Interchange Project

Sherburne County has three options proposed for frontage access to 269<sup>th</sup> Avenue as part of the TH 169 interchange project. County Public Works is seeking the City’s input on a preferred option as they move further into the design phase for the project.

**Stay/Dahl unanimous to recommend Sherburne County include Northern Local Roadway Alternative #3 in the TH 169 Interchange design. Motion carried.**

MAYOR/COUNCIL ITEMS

Before adjourning, Acting Mayor Whiting called for a moment of silence in support of United States military, emergency services personnel, health care workers and their families both at home and abroad.

**Stay/Whiting unanimous to adjourn the meeting at 7:24 p.m. Motion carried.**

Approved this 6th day of March 2023.

s/s Kary Tillmann, Clerk/Treasurer

APPROVED 03/06/2023