

**MINUTES OF THE REGULAR MEETING  
OF THE ZIMMERMAN CITY COUNCIL  
MONDAY, APRIL 21, 2025**

**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 Dahl, followed by the Pledge of Allegiance.

**ROLL CALL**

Present: Mayor Dahl, Council Members Bondhus, Earenfight, Farber and Wells. Also present were Administrator Piasecki, Clerk/Treasurer Tillmann and Public Works Director Koehler.

**AGENDA APPROVAL**

**Wells/Earenfight unanimous to approve the agenda as presented.**

**CONSENT AGENDA**

**Earenfight/Bondhus unanimous to approve the consent agenda except for item h. Solicitor Application – Bold North Roofing & Contracting, as follows:**

- a. Approve the minutes of the April 7, 2025 Regular Meeting of the City Council as presented.
- b. Approve the minutes of the April 14, 2025 Local Board of Appeal and Equalization Meeting as presented.
- c. Approve the minutes of the April 14, 2025 Committee of the Whole Meeting as presented.
- d. Approve the payment of claims (check #47148 - #47178) in the amount of \$37,914.52 and electronic payments (e-check #3081e - #3091e) in the amount of \$58,243.57 as presented.
- e. Authorize payment in the amount of \$9,406.00 (ck #47179) to Abdo as final payment for certified audit services for the year ended December 31, 2024, per the agreement on file in the City Clerk/Treasurer's Office, as recommended by staff.
- f. Accept invoice #25-0275 authorizing payment to OTI Inc., in the amount of \$39,125.00 (ck #47181) for grinding services at the City Compost Site as recommended by staff.
- g. Approve an Event Permit Application for a Softball Tournament hosted by the Zimmerman Girls Fastpitch Softball Association to be held in the City Park on May 31 – June 1, 2025, as requested.

Discussion was held regarding **Consent Agenda item h. Solicitor Application – Bold North Roofing & Contracting**. Member Wells questioned if all required paperwork had been submitted, specifically proof of any insurance. Clerk/Treasurer Tillmann stated that staff had checked with the MN Department of Labor and Industry, which shows that the contractor's license is valid until March 31, 2027. Insurance is required as part of the licensing process with the State of Minnesota. Tillmann added that if approved, the permit would not be issued until payment of the permit application fee was received from the Contractor.

**Wells/Earenfight unanimous to approve consent agenda item h. as follows:**

- h. Approve the license application for a Solicitor for the period of April 22, 2025 – April 21, 2026 for door-to-door estimating and sales for roof replacements for Maxwell Glaser dba Bold North Roofing and Contracting, 5950 Froeland Court, Hugo, MN 55038.**

**OPEN FORUM**

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

**EMPLOYEE RECOGNITION**

City Administrator Piasecki acknowledged the 10-year employment anniversary of Public Works Director Keith Koehler. Koehler was hired in 2015 as the Assistant Public Works Director when Dave Johnson was promoted to the Director spot. When Johnson retired in 2017, Koehler took over as the head of the Department. Koehler oversees all aspects of the Public Works Department, including water and sewer utilities, the Wastewater Treatment Plant, City streets and all City park areas, managing a staff of 9 employees. Koehler was presented with a framed certificate acknowledging his milestone and thanked for his service and dedication to the City.

## **PUBLIC WORKS REPORT**

### Accept Donation from Zimmerman American Legion Post 560

Public Works Director Koehler reported that the Kriesel - Jacobsen American Legion Post 560 regularly donates flags to City to be flown at the various flagpoles around town. Recently, the ALP 560 donated a 15' x 25' American Flag valued at \$543 for display on the City's main flagpole.

**RESOLUTION #25-04-04 Earenfight/Farber unanimous to adopt RESOLUTON #2025-04-04 accepting a donation of a 15' x 25' American Flag valued at \$543 from the Kriesel – Jacobsen American Legion Post 560 for display in the City of Zimmerman. Motion carried.**

### Purchase of Bulk Water Meters

At the April 14, 2025 Committee of the Whole Meeting, Public Works Director Koehler discussed a bulk order of water meters for residential housing stock. Typically, staff orders and purchases water meters and radio read units in quantities of 100 or less to meet demand for new construction and replacement.

Public Works staff is in the process of replacing failed or failing Metron meters, which report readings using cellular telephone technology. Due to changes in the telecommunications industry, these units are becoming obsolete or extremely difficult to maintain. If not replaced, all accounts with failed Metron meters are charged an estimated water bill based on past consumption quantities. Staff is also preparing for the summer construction season and should maintain meter stock not only for new construction, but also replacement meters. The estimated current need is 250 water meters and dual port radio read units. Costs of the meters are recouped when meters are sold for installation in new however, the City bears the cost of the replacement meters.

Core & Main, the City's Sensus meter vendor, has provided a quote for a bulk meter purchase. Meters are priced at \$165 each, with radio read units at \$215/each, which are discounted by \$15/unit based on a minimum order of 275 units.

**Farber/Wells unanimous to authorize staff to order 275 ¾ S IPerl water meters at a cost of \$165.00 each and 275 510M S/Point dual port radio read units at a cost of \$215.00 per unit for a total cost of \$104,500.00 as identified on Core & Main Bid Proposal #4129233, to be paid from Water (601) and Sewer (602) Funds, as recommended by staff. Motion carried.**

### Payment for Professional Services – Project Engineering

Staff reviewed invoices presented by Bolton & Menk for Project Engineering Services for the period of March 1 – 28, 2025. Invoice #360297 is for design work for the approved rehabilitation of Lift Station #3. Member Earenfight requested that Bolton & Menk provide a description of work completed by each employee listed on invoices submitted for payment. Koehler will work with Engineer Cook to obtain requested information on future invoices.

**Earenfight/Bondhus unanimous to authorize payment to Bolton & Menk in the amount of \$12,460.00 (ck #47180) for the period of March 1 – 28, 2025, as identified on Invoice #360297 for project design and engineering for the Lift Station #3 Rehabilitation Project as presented and as recommended by staff. Motion carried.**

## **FINANCE REPORT** – presented by Clerk/Treasurer Kary Tillmann

### **2024 AUDIT PRESENTATION**

The 2024 Audit presentation was conducted as a pre-recorded video presentation by Justin Nilson, Audit Manager. The 2024 audit was completed by Abdo staff in early February. Nilson referenced the Executive

Governance Summary dated April 9, 2025 advising that Abdo's job as the City's contracted audit firm is to give an opinion on the financial statements. According to their testing, the numbers presented are correct and consistent and Abdo gives an unmodified and clean opinion on the state of the City's finances, which is the cleanest opinion they can offer regarding the City's financial reporting. The council was reminded of the importance of their involvement and participation in all areas of finance.

Nilson reviewed the audit with the City Council. There was one comment related to internal controls in the 2024 audit, regarding drafting of the audited financial statements and related footnote disclosures as part of the regular audit services they provide. This has been a finding in the City's audit for many years. Comments relating to the preparation of the financial statements are hard to eliminate due to the technical nature of auditing standards under GASB principles, especially since GASB standards are added and amended every year. The City has good compensating controls in place with staff to reduce the finding to a significant deficiency. There was an additional finding related to Developer escrows, which was also identified in 2022 and 2023 audits. City Staff has discussed this issue at length with Audit staff and continues to work to resolve the issue. In addition, it was discovered that one investment with a local bank was not fully collateralized, and a reporting deadline related to the single audit for Federal funding on the 5<sup>th</sup> Street W Tower project was missed. Additional collateral has been acquired for the investment and the compliance report for the single audit was filed in 2024 after the reporting deadline.

Nilson reported that the City's fund balance has increased since year-end 2023. Currently, the unrestricted/unassigned General Fund balance is above the 50% minimum threshold set in the City's Fund Balance Policy. Previous Councils have identified a desire to maintain a minimum 50 - 75% of Fund Balance as unrestricted for operating expenses and has committed funds for specific purposes, however, audit staff has had recent discussions with staff suggesting additional commitments and assignments. Staff continues to discuss commitment of additional funds for capital improvements and capital equipment, as well as transfers of fund balance to the EDA and Park Fund. Expenditures have remained constant over the past 5 years, with expenses under budget for 2024.

The cash balance of the Water Fund has remained stable over the past four years, and the cash balance in the Sewer fund is healthy; however, the outstanding debt in the Sewer Fund is larger than the Water Fund debt. Utility rates will increase nominally in the future as recommended to ensure rates are sufficient to cover operating expenses, annual scheduled debt payments, and future project costs, per the rate study. Cash reserves will be vital once future capital improvement projects are scheduled.

Nilson explained the ratio analysis included in the presentation slides, which is a comparison between the City of Zimmerman, cities within Sherburne County and cities of comparable size located outside the County. Comparatively, the City of Zimmerman is financially healthy. It was noted that 2023 and 2024 figures on the ratio analysis have not been released by the MN Office of the State Auditor. Council requested that information be provided once it is available. Nilson concluded the presentation video by commenting that communication with staff is excellent and staff is well prepared for the audit, which makes the audit a positive experience for Abdo. Staff have good processes in place and are prepared for fieldwork, so the audit runs smoothly.

**Farber/Wells unanimous to accept the 2024 Audit Report and Financial Statements as presented and approve the submission of said reports to the Office of the State Auditor by Abdo, LLP on behalf of the City, as recommended by staff. Motion carried.**

#### Re-Investment of City Funds

The City had two investments mature in the first part of April. Staff has been in contact with regular brokers to provide a recommendation for reinvestment, based on current holdings and rates available for consideration. The City also has a CD with First National Bank of Milaca that will automatically renew on April 26 unless the

City notifies the bank to a change in terms. Since the maturity of the CD falls in between Council meetings, staff is looking to re-invest with FNB since the offered rate from the Bank and other brokers is close to the current rate.

**Wells/Earenfight unanimous to approve the following re-investments, as requested and as recommended by staff:**

- **\$260,056.71 with First National Bank of Milaca for 6 months at a rate of 4.06%**
- **\$210,000 with FNE Companies for 2 years at a rate of 4.0% with Southpoint Bank, utilizing funds from the matured CDs to complete the transaction**
- **\$50,000 with FNE Companies for 2 years at a rate of 3.95% with UBS Bank USA utilizing funds from the matured CD and the money market account to complete the transaction.**

**Motion carried.**

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

**PUBLIC HEARING – Petitioned Vacation of Drainage & Utility Easements -- ISD 728**

At 7:35 p.m., Mayor Dahl opened the public hearing to consider a petition for the vacation of drainage and utility easements located in outlots A, B, C, and D in the plat of “Zimmerman Town Centre,” as requested by ISD728.

Administrator Piasecki stated that ISD #728 acquired vacant Outlots A, B, C and D, “Zimmerman Town Centre” in 2021 with the intention of expanding the high school athletic facilities. These Outlots currently house the District’s new tennis courts, parking lot and storage building north of the football/track complex. In 2023 the City approved a replat of said Outlots into Outlot A, and Lot 1, Block 1, “Zimmerman High School Addition” in order to convey the new Outlot A to adjacent owner/seller as it contained a shared parking lot, and to create a buildable Lot 1 which houses the field storage building.

When the plat was submitted to the County for filing, it was discovered the Outlots in the old plat contained dedicated drainage and utility easements that must be vacated prior to filing the new plat. ISD #728 requested the City vacate the existing easements over Outlots A, B, C and D as they will be replaced by dedicated easement in the plat of “Zimmerman High School Addition”. City and engineering staff have reviewed the requested vacation of easements and dedications as proposed with staff recommending approval as requested.

No comments were received from the Public either for or against the petition. Mayor Dahl closed the public hearing at 7:38 p.m. and reopened the regular meeting.

**RESOLUTION #25-04-05 Wells/Earenfight unanimous to adopt RESOLUTION #2025-04-05, approving the vacation of all of the drainage and utility easements over, under and across Outlots A, B, C and D, as dedicated in the plat of “Zimmerman Town Centre”, as recommended by staff and the City Engineer. Motion carried.**

**Review Draft Ordinance No. 352 – Regulating Mobile Food Units**

In previous meetings, Council has discussed requirements for the licensing of food trucks. Currently the City uses the Solicitor’s Licensing process in Code to issue food truck licenses. As food trucks are becoming more popular, it has been suggested the City enact more specific regulations and requirements, including proof of State licensing and insurance. It has also been requested that the City consider regulations to control/govern/restrict food trucks at specific City or Community events, such as youth athletic tournaments, Wild West Days, or other events.

Council reviewed the draft Ordinance, which states that food truck operators would be required to obtain a city license prior to sales to the public on public or private property, unless that operator were hired by a citizen or business owner for private events. Food trucks exempt from City license requirement would be state licensed

caters, trucks operated by food/restaurant businesses within the City, as well as operators vending on church properties as part of church events.

Subd. 8 of the draft proposes to prohibit food trucks vending within 200 feet of the property line of any restaurant, and within 500 feet of an event for which the City has issued a Special Event Permit (facility/park rental for youth baseball tournament, other park space rentals). Paragraph D also proposes to prohibit all food truck vending in the City over the Memorial Day weekend for Wild West Days, unless those trucks are part of the Special Permit/Wild West Days organization. This provision would prohibit other businesses and bars/restaurants from hosting a food truck during this time.

Council requested the draft ordinance be amended to state that food trucks are prohibited from vending within 500 feet of the property line of any restaurant. Staff will update and present the amended draft ordinance at the May 5, 2025 Council meeting.

**MAYOR/COUNCIL ITEMS**

Mayor Stay noted the following:

- April 24 – Free Paper Shredding Event – 1:30 – 5:30 p.m. -- Bank of Elk River Otsego
- April 26 -- Passing the Bread Food Distribution – 9 – 11 a.m.; UMA Precision Machining
- May 3 – Annual Joint Clean-up Day -- 8 a.m. – 12 Noon; Livonia Town Hall

Before adjourning, Mayor Dahl asked for a moment of silence in support of United States military and emergency services personnel and their families both at home and abroad.

**Earenfight/Farber unanimous to adjourn the meeting at 7:52 p.m. Motion carried.**

Approved this 5th day of May 2025.

s/s Kary Tillmann, Clerk/Treasurer

Approved 05/05/2025