

**MINUTES OF THE REGULAR MEETING
OF THE ZIMMERMAN CITY COUNCIL
MONDAY, JUNE 3, 2024**

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, Farber and Whiting. Also present were Administrator Piasecki, Clerk/Treasurer Tillmann, and Streets, Parks & Utilities Supervisor Dallager.

AGENDA APPROVAL

Mayor Stay noted the Open Forum item related to Future Park Planning would be re-scheduled to June 17, 2024.

Whiting/Farber unanimous to approve the agenda as amended.

CONSENT AGENDA

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

- a. Approve the minutes of the May 6, 2024 Regular Council Meeting as presented.
- b. Approve the payment of claims dated May 20, 2024 (ck #46198 - #46239, excluding voided check #46207) in the amount of \$29,939.64 and electronic payments (e-check #2879e – #2889e) in the amount of \$57,544.76 as presented.
- c. Approve the payment of claims dated June 3, 2024 (ck #46241 - #46267, excluding voided check #46244) in the amount of \$44,995.21 and electronic payments (e-check #2890e - #2895e) in the amount of \$5,631,446.87 as presented.
- d. Approve payment to Bolton & Menk for the following invoices (ck #46268) for the period of March 30 – April 26, 2024, as presented and as recommended by staff:
 - Invoice #336147 in the amount of \$43,520.00 for Lake Fremont Area Improvements
 - Invoice #336151 in the amount of \$33,438.00 for 5th St W Tower/WTP Construction Management
- e. Approve payment to Hawkins, Inc., in the amount of \$5,625.00 (ck #46269) for the purchase of bulk chemicals to be used at the Wastewater Treatment Plant as identified on Invoice #6760453, with funds to be paid from the SBR budget in the Sewer Fund, as indicated by the Public Works Director.
- f. Authorize payment to Kodiak Power Systems in the amount of \$6,945.00 (ck #46240) as identified on Invoice #KPS1525 for annual generator maintenance per the agreement on file in the Public Works Department.
- g. Confirm the re-investment of CD #X6871 with the Bank of Elk River for a period of 5 months at a rate of 4.90%, as recommended by staff.
- h. Adopt **RESOLUTION #2024-06-01** approving the transfer of \$5,583,162.11 from the 2023 5th St W Well/Tower Fund (Fund 447) to the Water Debt Service Fund (Fund 310) for the payoff of the 2023 Temporary Water Revenue GO Bond to the Bank of Elk River, as recommended by staff and the City Auditor.
- i. Accept the Monthly Budget/Investment/Funds Report for April 2024 as presented.
- j. Accept the Building Permit Surcharge Report of April 2024 as presented.
- k. Approve liquor license renewals for the following establishments, for the period of July 1, 2024 – June 30, 2025, pending receipt and acceptance of all application materials, as recommended by staff:
 - Bodnar, Joe, dba Papa's Italian (Wine On-Sale) – 26140 – 3rd Street East
 - Bohnhoff Enterprises, Inc., dba Frontier Liquor (Off Sale) – 26207 Fremont Drive
 - Casey's Retail Company, dba Casey's General Store #3458 (3.2 Off Sale) – 13140 Fremont Avenue
 - JDJ Inc., dba Uptown Off-Sale (Off Sale) – 25965 Main Street
 - Kriesel-Jacobsen American Legion Post 560 (Club On-Sale) – 12674 Fremont Avenue

- Michael DeMarco dba D's Smokehouse (On-Sale/Sunday) – 12606 Fremont Avenue
 - Northern Tier Retail LLC dba Speedway Super America #4535 (3.2 Off Sale) – 26075 – 3rd Street East
 - NVL2 LLC dba P & A Liquor (Off Sale) – 26025 – 3rd Street East
 - S & M Zimmerman Enterprises LLC dba Angeno's Pizza, Pasta, and Bar/Zimmerman Bar & Grill (On-Sale/Sunday) – 13100 Fremont Avenue
 - TJP Bowl, Inc., dba Zimmerman Bowling Alley (On-Sale/Sunday) – 25920 Gateway Drive
 - Vita Bella LLC, dba Vita Bella Italian Restaurant (On-Sale/Sunday) -- 12530 Fremont Avenue
- l. Approve the license applications for a Solicitor for the period of June 4, 2024 – June 3, 2025, pending receipt of all required documentation and necessary fees for the following:
- Fasil Agegnehu dba Winta Ice Cream, 13328 – 89th Avenue N, Maple Grove, MN 55369
 - Max Garrett representing Curbside Waste, 4025 – 85th Avenue N, Brooklyn Park, MN 55433

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

FIRE DISTRICT REPORT

Station #1 Event Center Update

Cindy Hunnicutt, Event Center Coordinator, was present to provide an update of activities for Station #1 Event Center for the month of May, 2024. Hunnicutt has been busy at Station #1 with a number of events in the month of May. A new logo has been established and the updated website and email are fully functional. To date, Hunnicutt has booked two (2) 2025 weddings. Hunnicutt is pursuing a full on-sale liquor license for Station #1.

Earenfight/Farber unanimous to approve a Full On-Sale plus Sunday liquor license for the Zimmerman Livonia Fire District dba Station #1 Event Center, 26140 – 136th Street NW, Zimmerman, MN 55398, for the period of July 1, 2024 – June 30, 2025, pending receipt and acceptance of all application materials and fees, on file with the City Clerk's Office, as recommended by staff.

LAW ENFORCEMENT REPORT

Patrol Captain Ryan Broich, Sherburne County Sheriff's Department, provided an overview of law enforcement activities for the month of May 2024. The department received 537 calls for service, including 155 traffic stops with 9 offenses charged by citation, not including long form complaints or in-custody arrests. During the same period in 2023, there were 494 calls for service, with 632 calls in 2022. The department responded to four vehicle crashes, with two accidents occurring on Fremont Avenue (CSAH 4) at TH 169. In addition, there were two damage to property complaints, plus 52 security checks. Captain Broich reviewed other types of calls made during the month, noting there was nothing significant in the calls received outside of the Wild West Days event.

Discussion was held regarding the provision of event security by the Sherburne County Sheriff's Department at Station #1 Event Center. Broich advised that the Sheriff's Department is open to discussing in further detail which events would require security and which could have that requirement waived. No action taken.

Council agreed by unanimous consensus to accept the Law Enforcement Report for May 2024 as presented.

PUBLIC WORKS REPORT

Streets, Parks & Utilities Supervisor Dallager provided the following construction updates:

- 5th St W Tower/WTP – the contractor is currently programming equipment inside the tower and water treatment plant. The Tower is being coated and prepped for painting.
- Lake Fremont Area Improvements – The contractor has started tree removal in the right-of-way and temporary residential mailboxes have been installed. Dewatering is also happening on the south end of the

lake. The construction contractor will be working on the project east to west. At the same time, Centerpoint Energy will be replacing gas lines and will be working on their project from west to east.

No action taken.

FINANCE REPORT

Finance Plan – Lake Fremont Area Improvements

Issuance of GO Improvement Bonds Series 2024A

Clerk/Treasurer Tillmann introduced the subject of bond financing for the Lake Fremont Area Improvements, reminding Council that Consultants from Northland Securities were scheduled to attend the May 20th meeting to provide an update on the sale of General Obligation Bonds Series 2024A for the project. However, schedule conflicts prevented both Ms. Omdahl and Ms. Green from attending tonight's meeting. Tillmann reported that Administrative staff has been working with Northland to secure bond financing for this project. Bond proceeds will be used to fund the improvements and will be a tax-exempt general obligation to the City, maturing in 2040. Interest is projected at a rate of 3.93%, with the first payment due February 1, 2025. As part of the process a bond rating from Standard & Poor's will be requested, with the bond interview scheduled for Monday, June 10, 2024. Bond pricing is scheduled for June 26, 2024. Council was presented with a resolution approving the sale of the GO Bonds in the amount of \$1,470,000.00.

RESOLUTION #24-06-02 Stay/Earenfight unanimous to adopt RESOLUTION #2024-06-02, authorizing the issuance of General Obligation Bonds, Series 2024A, in the amount of \$1,470,000 to fund the Lake Fremont Area Improvements. Motion carried.

Contract for Municipal Bond Pricing Opinion

As part of the Series 2024A Bond issue, the City is required to obtain a pricing opinion from a licensed Municipal Advisor. Because Northland Securities is engaged as the underwriter for the proposed sale, they cannot retain the advisor on the City's behalf. Staff has solicited proposals from two Municipal Advisors, who each provided a proposed contract price of \$1,500 for the service, which will be paid out of bond proceeds. Staff recommends Council approve a contract with Blue Rose Capital Advisors.

Stay/Dahl unanimous to approve the contract with Blue Rose Capital Advisors for a municipal pricing opinion related to the Series 2024A Bond issue and authorize the Clerk/Treasurer to sign said contract, on file in the City Clerk's Office, as recommended by staff. Motion carried.

Uniform Guidance Policy for Federal Monetary Awards

As part of the 2023 audit process, the Audit team found an area of non-compliance related to the City complying with Federal statutes, regulations, and terms and conditions of federal award programs, such as MN Public Facilities Authority Funding or ARPA monies. The City has not developed written procedures as required by the Uniform Guidance for internal controls over Federal Awards to ensure that Federal funds are being managed properly and in compliance with Federal statutes, regulations and any terms and conditions of Federal Awards. Staff reviewed several model policies and worked with the City Auditor to present a draft policy for Council review and consideration.

Stay/Farber unanimous to adopt the Uniform Guidance Policy for the City of Zimmerman as presented and as recommended by staff and the City Auditor. Motion carried.

ADMINISTRATOR’S REPORT – presented by City Administrator Randy Piasecki

Resolution of Support – Great Northern Regional Trail

Sherburne and Mille Lacs Counties, and the cities of Elk River, Zimmerman and Princeton executed a Memorandum of Understanding (MOU) in May 2023 for the planning, development, and management of The Great Northern Trail. This partnership, under the leadership of the Sherburne County Parks Department has received Regional Park Designation within the State of Minnesota for the Great Northern Trail. As a Regional Trail System, the partners are eligible for additional funding through the Greater MN Regional Parks and Trails Commission.

The County intends to apply for Legacy Funding to improve The Great Northern Regional Trail, including trail amenities and features in Elk River, Sherburne County, the Zimmerman. Amenities include informational kiosks at trail heads, benches and sunshades along the corridor, and construction of a Trailhead at the Zimmerman City Park. Trailhead construction includes a new parking area and retaining wall at the site of the current “park and ride” lot, a shade structure, portable toilet screen, EV charging stations for cars and bikes, as well as picnic tables, waste cans, a water filling station, solar lighting, and landscaping.

Total construction costs are estimated at \$889,100, with the County requesting \$712,080 in Legacy Funding. The grant would require a 20% local match of hard and soft costs, shared proportionately by the benefited jurisdictions. The City share of the local match is projected to be \$200,500, which could be paid from the Capital Improvement, the Park Fund, EDA, or a mix of sources.

RESOLUTION #24-06-03 Stay/Farber unanimous to adopt RESOLUTION #2024-06-03, supporting Sherburne County’s application for Legacy Grant Funding for development of the Great Northern Regional Trail, as recommended by staff. Motion carried.

MAYOR/COUNCIL ITEMS

Mayor Stay noted the following:

- June 5 – CSAH 4/CR 46 Roundabout Public Open House – 5 – 7 p.m.; Station #1 Event Center
- June 8 – American Legion Gold Star Memorial Dedication – 11:00 a.m.; Post 560 Memorial Park
- June 10 – City Council Committee of the Whole Meeting – 7:00 p.m.; Council Chambers
- June 19 – Juneteenth Holiday Observed – All City Offices Closed
- June 29 – Passing the Bread Food Distribution – 9 – 11 a.m.; UMA Precision Machining

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

Stay/Whiting unanimous to adjourn the meeting at 7:40 p.m. Motion carried.

Approved this 17th day of June 2024.

s/s Kary Tillmann, Clerk/Treasurer