

**MINUTES OF THE REGULAR MEETING
OF THE ZIMMERMAN CITY COUNCIL
MONDAY, JUNE 5, 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 and Members Dahl, and Earenfight. Members Farber and Whiting were excused absent. Also present were Administrator Piasecki, Clerk/Treasurer Tillmann, Streets, Parks, and Utilities Supervisor Dallager and WWTP Manager Olson.

AGENDA APPROVAL

Stay/Earenfight unanimous to approve the agenda with added discussion about the July 3 Regular Council meeting under Mayor/Council Items. Motion carried.

APPROVAL OF MINUTES

Earenfight/Stay unanimous to approve the minutes of the May 15, 2023 Regular Meeting of the City Council as presented. Motion carried.

CONSENT AGENDA

Stay/Dahl unanimous to approve the consent agenda as follows:

- a. Approve the payment of claims (check #45210 - #45250) in the amount of \$58,383.03 and electronic checks (e-check #2684 – #2693) in the amount of \$102,239.64 as presented.
- b. Authorize payment to Bolton & Menk (ck #45251) for the following invoices as recommended by staff for the period of April 1 – 28, 2023, as presented and as recommended by staff:
 - Invoice #312101 in the amount of \$9,037.00 for the 269th Avenue Road and Infrastructure Improvements
 - Invoice #312102 in the amount of \$25,039.30 for the Wells #4 & #5 Construction Oversight Tower and Water Treatment Plant Project
- c. Approve tobacco license renewals for the following establishments, for the period of July 1, 2023 – June 30, 2024, pending receipt and acceptance of all application materials, as recommended by staff:
 - Bohnhoff Enterprises, Inc., dba Frontier Liquor – 26207 Fremont Drive
 - Casey's Retail Company, dba Casey's General Store #3458 – 13140 Fremont Avenue
 - Coon Rapids Tobacco, Inc., dba Zimmerman Tobacco – 26219 Fremont Drive, Suite 101
 - DG Retail LLC dba Dollar General Store #19543 – 12855 Fremont Avenue
 - Holiday StationStore LLC dba Holiday Stationstore #239 – 26125 Highway 169
 - JDJ Inc., dba Uptown Off-Sale – 25965 Main Street
 - Northern Tier Retail LLC dba Speedway Super America #4535 – 26075 – 3rd Street East
 - NVL2 LLC dba P & A Liquor – 26025 – 3rd Street East
 - Zimmerman Market, Inc., dba Z-Market, 26233 – 2nd Street East
- d. Approve the Budget/Investment/Funds Report for April 2023 as presented.
- e. Accept the Building Permit Surcharge Report for May 2023 as presented.
- f. Approve the registration application to operate as a Sewer & Water Installer in the City of Zimmerman for the period of June 6 – December 31, 2023, as requested by Emily and Bradley Wulf, dba Wulf Excavating, Inc., 1569 County Road 37 NW, Buffalo, MN 55313.

OPEN FORUM

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

FIRE DEPARTMENT REPORT

Fire Chief Ryan Maloney presented the Fire Department report for the month of May 2023. The Department assisted on 11 medical calls, a gas leak, 3 carbon monoxide reports, 3 grass fires, a rubbish fire, a garage fire in Livonia Township, 2 residential house fires and four calls for mutual aid.

Council agreed by unanimous consensus to accept the Fire Department Report for May 2023 as presented.

Chief Maloney stated the emergency sirens are tested monthly. In 2022, Council approved the installation of a new emergency warning siren at the Lake Avenue location. Chief Maloney further evaluated the siren location with the vendor, and both feel the current location is not suitable. The vendor recommends moving the siren to DeGreef Park and placing it atop a 55-foot pole, which will allow the sound from the siren to travel farther and potentially reach more residents than the current location.

Stay/Earenfight unanimous to accept the proposal from Frontline Warning Systems to relocate and install a new Federal Signal Eclipse Outdoor Warning Siren at a cost of \$11,276.00, as recommended by staff and the Fire Chief. Motion carried.

LAW ENFORCEMENT REPORT

Patrol Captain Ryan Broich, Sherburne County Sheriff's Department, provided an overview of law enforcement activities for the month of May 2023. The department received 494 calls for service, including 80 traffic stops with 14 offenses charged by citation, not including long form complaints or in-custody arrests. During the same period in 2022, there were 632 calls for service, with 363 calls in 2021. The department responded to five vehicle crashes and three accidents in parking lots in town, also conducting 54 security checks and 99 extra patrols throughout the month. Captain Broich added that Wild West Days weekend generated a lot of calls to the park area, mostly complaints of fighting on the event grounds. He also 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.

Council agreed by unanimous consensus to accept the Law Enforcement Report for May 2023 as presented.

PUBLIC HEARING – Street Reconstruction Plan and Bond Financing

Mayor Stay opened a public hearing at 7:12 p.m. for the purpose of considering a Street Reconstruction Plan and bond financing for the 269th Avenue Reconstruction Project. Jessica Green, Financial Consultant, Northland Securities, was present to walk Council through the process and provide additional information on the financials aspects of the project.

MN Statute 475.58, subd 3 statute requires the City adopt a Street Reconstruction Plan which identifies a project or projects to be financed if Street Reconstruction Bonds are issued. Statute also requires a public hearing on the proposed Plan and financing, which is satisfied by this public hearing. The plan provides for the issuance of a not-to-exceed amount of \$1,575,000 in General Obligation Street Reconstruction Bonds between June 1, 2023 and June 1, 2028 by the City. This amount is within the City's current statutory limit on net debt as of the date of adoption of the plan.

No comments were received either for or against the Street Reconstruction Plan or Bond Financing from the public.

Mayor Stay closed the Public Hearing at 7:18 p.m.

Street Reconstruction Plan and 2023 Series B Reconstruction Bonds

RESOLUTION #23-06-01 Stay/Dahl unanimous to adopt RESOLUTION #2023-06-01, adopting a Street Reconstruction Plan and authorizing the issuance of Street Reconstruction Bonds in the amount of \$1,575,000.00. Motion carried.

RESOLUTION #23-06-02 Stay/Dahl unanimous to adopt RESOLUTION #2023-06-02, authorizing the issuance of General Obligation Bonds, Series 2023B, in the amount of \$2,320,000 to fund the 269th Avenue Reconstruction Improvements, including water and sewer related expenses. Motion carried.

2023 Series A Temporary Bonds – Water Tower and Treatment Plant

Staff has discussed with Council the need for temporary financing for the 5th Street W Water Tower and Treatment Plant on several occasions. Financial Consultants with Northland Securities and Kennedy and Graven have been assisting with the process and timeline for temporary financing, which is intended to fund ongoing construction expenses until PFA monies are available later in 2023. At that time, the City would call the temporary bond and pay it off with PFA Funding. Future construction expenses would then be paid through PFA funds.

Northland Securities vetted local private banks for placement of the temporary bonds, with two banks submitting proposals by the May 31 deadline.

RESOLUTION #23-06-03 Stay/Dahl unanimous to adopt RESOLUTION #2023-06-03, awarding the General Obligation Temporary Water Revenue Bond, Series 2023A, in the amount of \$5,360,000, to The Bank of Elk River at an interest rate of 4.835%, as presented and as recommended by staff and the Financial Consultant. Motion carried.

Municipal Advisory Service Agreement

City Staff has been working with municipal financial advisor Northland Securities regarding the issuance of bonds for Street Reconstruction and the Water Tower Treatment Plant project, as well as other finance related and debt issues.

Stay/Earenfight unanimous to approve the agreement between the City of Zimmerman and Northland Securities, Inc., to serve in the role of Municipal Financial Advisor, providing consulting services including and related to the issuance of the General Obligation Temporary Water Revenue Bond, Series 2023A to the City of Zimmerman, as identified in the Municipal Advisory Services Agreement on file in the City Clerk's Office, as recommended by staff. Motion carried.

PUBLIC WORKS REPORT

269th Avenue Reconstruction – Pay Request #1 – Douglas Kerr Underground

Douglas Kerr Underground was contracted to complete the reconstruction of 269th Avenue, including water and sewer mains, a new road base and bituminous paving. Pay Request #1, for work completed between May 1 – 26, 2023, has been submitted to the Project Engineer for consideration and payment. Engineer Bittner has reviewed the request and finds it to be in order, recommending payment to the contractor.

RESOLUTION 23-06-04 Earenfight/Dahl unanimous to adopt RESOLUTION #2023-06-04, accepting Pay Request #1 in the amount of \$474,172.73 (ck #45253) submitted by Douglas Kerr Underground for expenses related to the 269th Avenue

**Reconstruction Project, as recommended by staff and the City Engineer.
Motion carried.**

Wastewater Treatment Plant Facility Plan

Council entered into an agreement with Nero Engineering in 2020 for the preparation of a Facilities Plan for the wastewater treatment plant (WWTP). Current capacity at the facility is 452,000 gallons per day (gpd), with MPCA guidelines requiring the City to begin planning for an expansion when plant capacity reached 85%.

Nero completed and presented a Facility Plan, including design alternatives for an expansion and/or reconstruction of the current facility. Three alternative designs/treatment options were presented which would double capacity to 870,000 gpd, serve the city for an estimated 25-years, with construction pricing estimated between \$18 - \$19 million. Nero recommends the City pursue the Alternative 2 design, an MBR (membrane bioreactor) and sand drying bed. This design is the most cost effective and efficient option, the least degrading to receiving waters, and is the best design to accommodate future growth.

The MBR design will utilize portions of the existing SBR system and will be expanded through construction to convert the treatment system to the MBR with sand filters. Some of the structures viewed by Council during the April 10, 2023 workshop and site visit will either be demolished or repurposed and used by the Public Works/Sewer Department.

WWTP Manger Olson suggested that Council consider adding a second WWTP plant operator ahead of Phase II construction to assist with the daily operation of the plant while construction is underway, as staff participation and oversight throughout the construction process will be vital. Administrator Piasecki advised that staff will add a position to next year's budget for Council consideration as part of the 2024 budget process.

Stay/Earenfight unanimous to approve the Wastewater Treatment Plant Facility Plan dated March 3, 2023 as prepared by NERO Engineering, selecting Alternative 2 – MBR and Sand Filter, as the preferred design and construction option for wastewater expansion, as re commended by staff. Motion carried.

Engineering Services Agreement – Phase I WWTP Facility Improvements

Since Council would be considering a Facilities Plan for the WWTP, staff requested NERO also submit a design/bid agreement for Phase 1 of the facility expansion. Sludge storage capacity has been and will continue to be an issue at the existing SBR. Phase 1 construction would increase the storage capacity of the existing operation and would be utilized by the MBR when constructed in the upcoming years.

Staff presented an Engineering Services Agreement from NERO Engineering summarizing the Alternative 2 MBR process and biosolids storage. Construction costs for Phase 1 biosolids storage is estimated at \$3,160,000, plus engineering and soil boring costs, for a total projected cost of \$3,400,000. Nero estimates plans would be completed and ready to bid in February 2024, with construction starting May 2024 and final completion in November 2024. Construction would likely be completed prior to the MPCA issuing a new NPDES permit for a new facility in late 2024.

Stay/Dahl unanimous to approve the Engineering Services Agreement between the City of Zimmerman and NERO Engineering for the final design and bidding of the Wastewater Treatment Plant upgrade and expansion for Phase 1 – Biosolids, at a cost of \$207,063, authoring the City Administrator to sign said agreement on behalf of the City, as recommended by staff. Motion carried.

ADMINISTRATOR’S REPORT – presented by City Administrator Randy Piasecki

Great Northern Trail Regional Designation

Piasecki reported that Sherburne County was recently notified that the Great Northern Trail had received a regional designation to the Greater Minnesota Regional System, which ensures that parks and trails in the Greater Minnesota System provide quality recreational opportunities to users. No action taken.

MAYOR/COUNCIL ITEMS

Upcoming Meetings, Events and Announcements

Mayor Stay noted the following:

- June 12 -- Committee of the Whole meeting – Council agreed by unanimous consensus to cancel the June 12, 2023 Committee of the Whole meeting due to a lack of agenda items.
- June 19 – Juneteenth Holiday Observed. All City Offices Closed
- June 24 – Passing the Bread Food Distribution – 9 – 11 a.m. -- UMA Precision Machining (north entrance)
- June 26 – City Council Meeting – Rescheduled from June 19, 2023 due to Juneteenth Holiday Observed
- July 3 – City Council Meeting – Council agreed by unanimous consensus to reschedule the July 3, 2023 Council meeting to Monday, July 10, 2023 due to an anticipated lack of a quorum because of the Independence Day Holiday on July 4

Before adjourning, Mayor Stay asked for a moment of silence in honor of First Responders and Medical personnel serving our community.

Dahl/Stay unanimous to adjourn the meeting at 7:39 p.m. Motion carried.

Approved this 26th day of June 2023.

s/s Kary Tillmann, Clerk/Treasurer

APPROVED 06/26/2023