

**MINUTES OF THE REGULAR MEETING
OF THE ZIMMERMAN CITY COUNCIL
MONDAY, AUGUST 5, 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, and Farber. Member Whiting was excused absent. Also present were Administrator Piasecki, Clerk/Treasurer Tillmann, Public Works Director Koehler, and Streets, Parks, and Utilities Supervisor Dallager.

AGENDA APPROVAL

Stay/Earenfight unanimous to approve the agenda as presented.

CONSENT AGENDA

Stay/Farber unanimous to approve the consent agenda as presented as follows:

- a. Approve the minutes of the July 15, 2024 Regular Meeting of the City Council as presented.
- b. Approve the minutes of the July 29, 2024 Committee of the Whole Meeting as presented.
- c. Approve the payment of claims (check #46387 - #46428) in the amount of \$104,824.64 and electronic payments (e-check #2927e - #2934e) in the amount of \$94,006.59 as presented.
- d. Authorize payment in the amount of \$11,124.18 (ck #46429) to Core & Main for the purchase of water meters and related parts as identified on Invoice #V064443, to be paid from the Water (601) and Sewer (602) Funds, as recommended by staff.
- e. Adopt **RESOLUTION #2024-08-01**, accepting Pay Request #2 in the amount of \$280,540.46 (ck #46430) submitted by Larson Excavating Inc., for expenses related to the Lake Fremont Area Reconstruction, as recommended by staff and the City Engineer.
- f. Approve the semi-annual payment to the MN Public Facilities Authority (ck #46431) in the amount of \$631,295.49 for scheduled principal and interest payments on GO Revenue Bonds as follows and recommended by staff:
 - 2007 Tower/WTP – Principal: \$121,000; Interest: \$4,687.20
 - 2009 SBR Expansion -- Principal: \$132,000.00; Interest: \$9,933.76
 - 2023 Wells #4/#5 – Principal: \$46,000.00; Interest: \$11,699.69
 - 2024 Tower/WTP -- Principal: \$224,390.00; Interest: \$81,584.84
- g. Accept the Building Permit Surcharge Report of July 2024 as presented.
- h. Adopt **RESOLUTION #2024-08-02**, approving an application to conduct off-site gambling as requested by the Zimmerman/Livonia Fire Relief Association for the Fire Department Annual Fireman’s Open House and Benefit Dance to be held at Station #1, 26140 – 136th Street NW, Zimmerman, MN 55398, on September 7-8, 2024.
- i. Adopt **RESOLUTION #2024-08-03**, approving an application for exempt permit to conduct lawful gambling, as requested by the Zimmerman American Legion Post 560 Auxiliary Unit at an event to be held at the Station #1 Event Center, 26140 – 136th Street NW, Zimmerman, MN 55398, on November 16, 2024.
- j. Approve the tobacco license application for JR Tobacco LLC, dba JR Tobacco, 12626 Fremont Avenue, Zimmerman, for the period of August 9, 2024 – June 30, 2025, as recommended by staff.

OPEN FORUM

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

LAW ENFORCEMENT REPORT

Patrol Captain Ryan Broich, Sherburne County Sheriff’s Department, provided an overview of law enforcement activities for the month of July 2024. The department received 470 calls for service, including 164

traffic stops with 17 offenses charged by citation, not including long form complaints or in-custody arrests. Deputies also conducted 32 security checks in July. During the same period in 2023, there were 479 calls for service, with 603 calls in 2022. The department responded to 2 theft complaints, 3 burglaries with two (2) still under investigation, a robbery and 1 vehicle crash with damage at the intersection of TH 169 and CSAH 4. Captain Broich reviewed other types of calls made during the month, stating it was a quiet month overall with no significant trends or incidents reported in our community.

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

FIRE PROTECTION REPORT

Cindy Hunnicutt, Event Center Coordinator, was present to provide an update of activities for Station #1 Event Center for the month of July 2024. Hunnicutt is booking out larger events for the Event Center. There is one wedding scheduled for August and two in September, with Hunnicutt accepting bookings into 2025 and 2026 at this time. The Tuesday afternoon Farmer's Markets have been well attended. New patio furniture has been purchased and installed.

Fire Chief Ryan Maloney presented the Fire Department report for the month of July 2024. The Department responded to 7 medical calls, 4 gas leaks, 4 injury accidents, 3 fire alarms, a person in distress call, a downed power line, 3 grass fires and 4 residential house fires. The Fire Board recently approved the purchase of vehicle extraction tools for both Station #1 and Station #2, which were purchased through donations from the Fire Relief Association. The Department received the equipment not too long ago and have already had to use it while responding to a recent car accident.

Council accepted the Fire Protection and Event Center Reports for July 2024 by unanimous consensus as presented.

PUBLIC WORKS REPORT

Wetland Credits for Fill Activity – SBR Expansion

Nero Engineering is working to complete documentation and permitting for the Phase 1 expansion of the City's wastewater treatment plant (WWTP). One of the remaining issues to address is required wetland replacement to comply with requirements set by the Army Corps of Engineers (Corps). A portion of the expansion site is a decommissioned wastewater pond that has reverted to a wetland over the course of time and must be replaced if impacted by the expansion project. Contracted staff has determined there is no way to avoid impacting the area. Discussion with the Corps has led to them accepting the replacement of the wetland at a 1:1 ratio.

Wetland Credit Agency LLC is a private entity with an area of created wetlands accepted by the State of Minnesota as replacement eligible wetlands within the same watershed as ours. The City may buy restoration or replacement credits from this entity to satisfy the loss of approximately 2-acres of wetland in Zimmerman for this project. Wetland Credit Agency (WCA) submitted a Reservation Agreement for Council consideration, which is like a purchase agreement. WCA pledges to hold and sell 2.0275 acres of wetland banking credits to the City at a cost of \$187,126.09.

The expense will be charged to the WWTP expansion project and paid from the Sewer Fund. Both City and contracted staff believe this is the best solution for complying with the wetland replacement requirement, and staff requests Council approve the Agreement.

Stay/Farber unanimous to approve a Wetland Credit Reservation Agreement with the Wetland Credit Agency, LLC, to secure wetland replacement credits for the WWTF Expansion project in the amount of \$187,126.09, authorizing the City Administrator to sign said agreement on behalf of the City and establish a closing date for the sale. Motion carried.

FINANCE REPORT

Employee Recognition

City Administrator Randy Piasecki will celebrate 30 years of employment with the City on August 8, 2024. Piasecki was hired in 1994 to serve as the Planner/Coordinator and was promoted to City Administrator in 2011. Council presented Piasecki with a plaque commemorating his achievement and thanked him for his service and dedication to the City.

2025 Preliminary General Fund Budget

Clerk/Treasurer Tillmann reviewed the 2025 budget as presented at the Council workshop on July 29th. Revenues include general taxes, state aid, fees, lease revenues and special levies. Local Government Aid (LGA) has been certified for 2025 and increases from \$843,155 to \$844,239, per action taken by the State Legislature during the 2024 session. This is an increase of \$1,084 over the 2024 amount. Levy dollars also include the Fire Hall/Event Center and 269th Ave Reconstruction debt levies. Staff recommends Council continue the \$50,000 levies for the EDA and Park funds into 2025 and beyond, and suggests Council maintain existing levy amounts for future Capital Expenditures. Finance staff is proposing an increase in the amount transferred from Water (310) and Sewer (312) funds to more accurately reflect expenses borne by the General Fund to support Water and Sewer operations.

Preliminary 2025 expenses are proposed at \$4,672,701 to match General Fund revenues. This budget includes department operation expenses including personnel, anticipated expenditure of \$225,000 for street preservation, \$170,000 for future Capital Expenditures, a City Planner in City Hall and debt payments for the Fire Hall/Event Center, the 269th Ave Reconstruction project and the Lake Fremont Area Reconstruction.

Discussion was held regarding the 2023 State of Minnesota Public Safety Aid allotment, which was carried over from 2023 into 2024 to cover a portion of the 2024 Law Enforcement Contract expense. Staff also discussed increases to health insurance premiums and the current CPI as it relates to an annual Cost of Living Adjustment.

Council will review the budget in detail during upcoming meetings and will have the opportunity to increase or decrease the proposed levy amount before certification to the County Auditor/Treasurer at the end of September. Once the preliminary levy is adopted by Council in September, the only options are to either decrease the levy, or use uncommitted cash reserves to fund budgeted expenses. No action taken.

ADMINISTRATOR'S REPORT

Utility Funding Resolution – TH 169 Interchange

As part of documentation process for receiving State funds to fund the TH 169 Interchange project, MNDOT requires the City and County to adopt a resolution verifying the City's willing participation in the project, and its ability to pay matching funds in the amount of \$430,000, which is the anticipated cost to extend water and sewer utilities under 269th Avenue extended eastward from TH 169. This amount is not eligible for funding through any of the awarded State or Federal grants for the project.

RESOLUTION #2024-08-04 Stay/Dahl unanimous to adopt RESOLUTION #2024-08-04, supporting the City's provision of funding assistance for the TH 169 Interchange project in Zimmerman in the amount of \$430,000 towards the extension of municipal utilities within the project area. Motion carried.

On-Street Parking Restrictions

Concerns have been raised regarding road congestion issues caused by on-street parking on several streets in town. Specifically, Fremont Trail immediately south of City Hall and ZBG/Angeno's, 7th Avenue South between CH 45 and 7th Street West, and 6th Avenue South near the City's Water Treatment Plant. On-street parking and

congestion occurs during special events and seasonally when school events and athletic games are held on ballfields in those areas. Parking on both sides of the street cause issues where oftentimes only one (1) vehicle can pass and makes it extremely difficult for emergency vehicles to get through. At the July 29th workshop, Council and staff discussed potential “No Parking” zones on each roadway. Discussion included alternate parking areas for customers and event attendees. On Fremont Trail, the City Hall back parking lot is often unused. Public Works Director Koehler suggested having the lot striped to make it more amenable for parking.

Currently, staff recommends “No Parking” restrictions on 6th Avenue South, east of CSAH 45 and 7th Avenue South between CSAH 45 and 7th Street West. Parking on Fremont Trail will be addressed later after discussion with Sherburne County Public Works and business owners in the immediate vicinity.

RESOLUTION #2024-08-05 Whiting/Stay unanimous to adopt RESOLUTION #2024-08-05 designating one side of 6th Avenue South lying east of CH 45, and one side of 7th Avenue South lying between 7th Street West and CH 45, as “NO PARKING”, in the interest of public safety. Motion carried.

Decertification of TIF Districts #8 and #9

As part of the OSA Annual report prepared and submitted by Northland Financial, staff requested a review of outstanding obligations for TIF Districts #8 and #9 to determine the appropriate time to decertify the Districts. Decertification of the Districts will eliminate TIF tax collections and instead, all taxes generated will be distributed to the County, City and School District. By staff estimation, this will return approximately \$17,000 per year to the General Fund through regular property tax collection. Decertification has also been identified as a future finance goal through the audit process. Northland staff has confirmed that District obligations either have been fulfilled or have sufficient fund balances to pay off their obligations in fiscal year 2024 after the final tax collection and should be decertified.

RESOLUTION #2024-08-06 Stay/Whiting unanimous to adopt RESOLUTION #2024-08-06 decertifying Tax Increment Financing District #8 as of December 31, 2024, directing the City Administrator to notify Sherburne County of the decertification and submit the Confirmation of Decertification to the Office of the State Auditor. Motion carried.

RESOLUTION #2024-08-07 Stay/Whiting unanimous to adopt RESOLUTION #2024-08-07 decertifying Tax Increment Financing District #9 as of December 31, 2024, directing the City Administrator to notify Sherburne County of the decertification and submit the Confirmation of Decertification to the Office of the State Auditor. Motion carried.

2024 – 2026 Law Enforcement Contract

In June, staff received the 2024 – 2026 Contract for Law Enforcement Services from the Sheriff’s Department, as it had been updated due to the recent acceptance of union contracts in the Sheriff’s Department. The updated contract includes the addition of a 6th Patrol Deputy in 2024 and a 7th in 2025. The 2024 contract amount has increased by \$37,545 because of union negotiations and 2025 will increase by \$242,291 due to the addition of another patrol deputy. All other terms of the contract are consistent with previous versions approved by the Council.

Stay/Farber unanimous to approve and authorize execution and delivery of the 2024-2026 Law Enforcement Contract with the Sherburne County Sheriff’s Department. Motion carried.

MAYOR/COUNCIL ITEMS

Council agreed by unanimous consensus to cancel the August 12, 2024 Committee of the Whole Meeting due to staff involvement with the State Primary Election on Tuesday, August 13. Council may hold a workshop session later in August.

Mayor Stay noted the following upcoming events:

- July 30 – August 13 – Municipal Candidate Filing Period
- August 13 – State Primary Election – Polls open 7:00 a.m. – 8:00 p.m.
- August 31 – Passing the Bread Food Distribution – 9 – 11 a.m. – UMA Precision Machining

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

Stay/Farber unanimous to adjourn the meeting at 7:48 p.m. Motion carried.

Approved this 19th day of August 2024.

s/s Kary Tillmann, Clerk/Treasurer

Approved 08/19/2024