

**MINUTES OF THE REGULAR MEETING
OF THE ZIMMERMAN CITY COUNCIL
MONDAY, AUGUST 22, 2022**

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 Bondhus was excused absent. Also present were Administrator Piasecki, Clerk/Treasurer Tillmann, Public Works Director Koehler, and Streets, Parks, and Utilities Supervisor Dallager.

AGENDA APPROVAL

Whiting/Stay unanimous to approve the agenda with the following additions:

- **Application for Display of Fireworks – Zimmerman Quarterback Club**
- **Lake Fremont Property Purchase**

APPROVAL OF MINUTES

Whiting/Stay unanimous to approve the minutes of the August 1, 2022, Regular Meeting as presented.

CONSENT AGENDA

Whiting/Earenfight unanimous to approve the consent agenda with the addition of i. Application for Fireworks Display – Quarterback Club as follows:

- a. Approve the payment of claims (check #44395 - #44474) in the amount of \$66,691.63 and electronic payments (e-check #2502e - #2512e) in the amount of \$47,763.54 as presented.
- b. Accept the Budget/Investment/Funds Report of June 2022 as presented.
- c. Accept the Budget/Investment/Funds Report of July 2022 as presented.
- d. Accept the Public Improvements constructed in Huntington 4th Addition upon receipt of a 1-year warranty bond and authorize release of the security deposit to Riverside Development of Princeton, LLC, as recommended by staff.
- e. Adopt **RESOLUTION #2022-08-02** approving the Application to Conduct Off-Site Gambling in accordance with State Law as requested by the Zimmerman/Livonia Fire Relief Association at an event to be held on Saturday, September 10, 2022 at the Station #1 Fire Hall & Event Center, located at 26140 – 136th Street NW, Zimmerman.
- f. Approve the license application for a Solicitor for the period of August 15, 2022 to August 14, 2023, for two (2) mobile ice cream trucks for Fasil Agegnehu, dba Winta Ice Cream, 13328 – 89th Avenue N, Maple Grove, MN 55369, pending receipt of all required documentation and necessary fees.
- g. Approve the license registration for a Sewer and Water Installer, for the period of August 8 – December 31, 2022, as requested by Charlie Speckmann, dba Sitework Services, 5595 – 270th Street East, Elko, MN 55020.
- h. Accept the Building Permit Surcharge Report for July 2022 as presented.
- i. Approve the fireworks display permit as requested by the Zimmerman Quarterback Club for fireworks/pyrotechnic special effects display by Curt Serbus, to be located at the Zimmerman High School/Middle School, 25900 – 4th Street West, on August 22, September 9 & 16, October 7 & 19, 2022, and any playoffs games as determined at the end of the 2022 football season.

OPEN FORUM

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

FUNDING REQUEST – Boys & Girls Clubs of the North Star

Ricky Solomon, President/CEO and Maddie Stoll, Zimmerman Branch Director, Boys and Girls Clubs of the North Star, were present to discuss the status of the Zimmerman Boys and Girls Club. Solomon stated the organization appreciates that the City provides a rent-free space to the Club for programming in town. However, the Club has been dramatically affected by COVID-19, due to decreases in funding and resources. Without additional funding at this time, the Zimmerman Club will not be able to open at the start of the school year. The Boys & Girls Club is seeking funding in the amount of \$19,266 to support two program staff at the Zimmerman Club location for the 2022-2023 schoolyear, which would enable the Club to be open for families needing supervision for children during after school hours. The Zimmerman location provides programs and activities during the school year from 2:00 – 6:00 p.m., with extended hours and structured programming for teens twice a month.

Council discussed program offerings and alternative funding sources for the Club, with Mayor Stay adding that staff will consult with the City Attorney to determine if a donation is feasible. No action taken.

PARK BOARD REPORT

In lieu of an August meeting, the Park Board hosted Night to Unite festivities in the City Park on their regular meeting night. Approximately 400 people attended the event, which included representatives from the Sheriff’s Department Patrol Division, the Zimmerman/Livonia Fire Department, Zimmerman Public Works, various local service groups, businesses, and the City Council. Park Board members and City Staff offered bounce houses, squirt guns, and games for attendees. Tillmann thanked the evening’s sponsors and prize donors for their participation in the event, which the Park Board feels was a success. Over 60 door prizes, donated by local businesses, were awarded to attendees throughout the evening.

RESOLUTION #2022-08-03 Stay/Dahl unanimous to adopt RESOLUTION #22-08-03 accepting donations of cash and merchandise for the City’s 2022 Night to Unite event valued at approximately \$3,870. Motion carried.

PUBLIC WORKS REPORT – presented by Public Works Director Keith Koehler

Public Works Director Koehler reported that Emerald Ash Borer has been confirmed in Sherburne County. Meetings with the Compost Board and Sherburne County Zoning Office have been scheduled in the near immediate future to discuss how Cities and the County will respond to infected trees. No action taken.

FINANCE REPORT – presented by Clerk/Treasurer Kary Tillmann

Appointment of City Hall Administrative Assistant

In July, Council approved the creation of a second Administrative Assistant position at City Hall and authorized staff to advertise to fill the position. The opening was advertised with 28 applications received and processed. Staff conducted interviews with 4 very qualified candidates on August 11th and is seeking the appointment of Jill Papesh to the position. Papesh would start employment with the City on September 7, at Level 4 of the adopted Salary scale.

Earenfight/Stay unanimous to appoint Jill Papesh to the position of City Hall Administrative Assistant at Level 4, Step 1 of the 2022 Salary scale, effective September 7, 2022, as recommended by staff. Motion carried.

Designation of Polling Place

The Sheriff’s Department has changed the accessible areas allowed to Election Judges for administering Elections at the Zimmerman Public Safety Building, which has created issues surrounding voter accessibility to the polling place. Staff feels it is in the City’s best interest to find a different polling location for Precinct 1 prior to the

General Election on November 8, 2022. If approved, the Auditor/Treasurer's Office will be notified of the change ahead of the October 14 deadline to change a polling location, to provide ample notice to voters.

RESOLUTION #2022-08-04 Earenfight/Whiting unanimous to adopt RESOLUTION #22-08-04, establishing the polling location for City of Zimmerman Precinct 1 (those residents living north of CSAH 4) at Free Grace United Church located at 12844 Fremont Avenue, Zimmerman, effective immediately for the 2022 General Election scheduled for November 8, 2022, as recommended by staff. Motion carried.

2023 GENERAL FUND BUDGET & LEVY

Clerk/Treasurer Tillmann began the budget presentation with a broad overview of the preliminary 2023 Budget and Levy. The General Fund budget was drafted using the Budget Guide provided by the League of Minnesota Cities. Council was reminded that staff is only presenting the General Fund budget at this time. Water and Sewer Fund budgets would be presented after the preliminary General Fund budget and levy is certified by Council in September. Tillmann reviewed the budget in further detail with Council, referencing the detailed staff memo and budget spreadsheets that were included in the Council packet.

2023 Revenues

The 2023 preliminary revenue budget totals \$3,681,585, a proposed increase of \$187,735 over the 2022 revenue budget. Revenues include general taxes, state aids, fees, charges for services, permit fees, lease revenues and special levies. Certified Local Government Aid (LGA) for 2023 equals \$698,579 which is an increase of \$28,079 over the 2022 amount. One road improvement special levy remains in place in the amount of \$36,893 for current debt service for the CH 45 Reconstruction Project, which allows staff to suggest Council maintain existing levy amounts for future capital expenditures, such as road projects, technology improvements and larger equipment purchases and/or building improvements.

Currently, staff is presenting a preliminary tax levy of \$1,897,506, which is a \$180,506 increase over the adopted 2022 levy amount. Council can increase or decrease the proposed levy amount before preliminary certification. Once the preliminary levy is adopted, the levy can only be decreased prior to final certification in December. This can be done by reducing expenses, increasing revenues, or using uncommitted cash reserves as a budget balancing tool.

2023 Expenses

Preliminary 2023 expenses are proposed at \$3,681,585 an increase of \$105,985 or 9.5% over 2022. The General Fund budget includes department operation expenses including personnel, anticipated expenditure of \$225,000 for 2023 street preservation, \$170,000 for future Capital Expenditures, \$37,000 in current debt service for the CH 45 reconstruction project and \$188,000 for debt service on the Station #1 Fire Hall/Event Center.

Notable changes in department expenses can be attributed to the following items:

- A scheduled increase to the Sheriff's Department contract, which has been presented by SCSD staff.
- Two (2) full-time administrative staff at City Hall which were added to the budget in 2022. An appointment has been made for the Administrative Assistant position, with the Planner position remaining unfilled until annexation/merger talks with Livonia Township are further along.
- Decrease in the Elections budget because 2023 is not an Election year.
- Employee health insurance premiums were budgeted at a 10% increase due to the current level of inflation. Renewal rates were made given to staff by the City's insurance agent prior to the meeting, with rates proposed to increase less than 3% in 2023.

- Administration suggested increase to employee wages and benefits, which includes a recommended 1-step wage increase for eligible employees and a Cost-of-Living Adjustment (COLA) for all employees, with corresponding increases to Social Security and PERA.

The City will have until September 30th to certify the preliminary General Fund budget and levy to Sherburne County. Council will have opportunity to review the budget in detail during upcoming meetings. Pending the outcome of discussion at this meeting, revisions will be made to the budget as directed by Council. There will be review of the budget at all regular Council meetings in September.

Once the preliminary budget and levy are adopted, staff will work to review and amend the budget based on direction provided by Council. The preliminary budget and levy numbers will be provided to the Sherburne County Auditor/Treasurer's Office once certified in September. Between November 10 and November 23, the County Auditor will send the notice of proposed property taxes to each taxpayer in the county. While the City is no longer required to hold a Truth in Taxation hearing, we must hold a Public Comment Meeting, which historically has been held at the first Regular Council meeting in December, with adoption of the final budget and levy at the second Regular meeting in December. The final budget and levy cannot be adopted until after November 24, and Council must adopt the final 2022 budget and certify the final tax levy to Sherburne County by December 30, 2022. No action taken.

Request for Funding – Initiative Foundation

As in past years, the Initiative Foundation has requested financial support for the 2023 budget cycle to support businesses and agencies throughout Sherburne County. Council pledged, and provided \$100 in funding in 2014 - 2016, with \$110 given in 2017-2022. The Initiative Foundation has requested Council consider a contribution of \$110 in 2023. The Initiative Foundation provided financing assistance for the UMA Project in 2013. The preliminary 2023 budget can accommodate a donation for the Initiative Foundation if Council chooses.

**Whiting/Earenfight unanimous to approve a \$110 contribution to the Initiative Foundation in 2023.
Motion carried.**

ADMINISTRATOR'S REPORT – presented by City Administrator Randy Piasecki

2022 RAISE Grant Application Update

Earlier this year, Sherburne County submitted a 2022 RAISE Grant application to the Federal Highway Administration for the TH 169/CSAH 4 interchange. After the 2021 application was not funded, the design was modified, resulting in a lower projected construction cost. Sherburne County was recently notified that the 2022 application will also not be funded. Piasecki added that Sherburne County has another INFRA Grant application being considered and continues to work with Federal, State and Local officials on other funding options. No action taken.

Land Exchange Agreement

The City owns parcel #95-472-1480, described as Lots 13 & 14, Block 14, Third Fremont Lake Shores, located on the east side of 120th Street. Adjacent landowners, Ron and Laura Larson own parcels #30-401-1490 and #30-401-0010, immediately adjacent to the south of the city-owned parcel. Larson contacted the City, asking if the City would consider a property exchange, with him acquiring the city-owned lots already in city limits, and the City acquiring his platted lot and outlot. The Larson property would allow the City opportunity for a future extension of Ash Street to the east of 120th Street, providing street and utility service to 20+ acres of developable lands. The city parcels traded to Larsons will likely be sold and developed with a dwelling, thereby increasing the City's tax base.

Council consensus at the May 16, 2022 meeting was to proceed with the land exchange. Attorney Mattick prepared an agreement outlining the exchange process and responsibilities of each party, which has been accepted

and signed by the Larsons. Upon approval and execution of the document by the City, staff will coordinate a closing with the Larsons and a local title company.

RESOLUTION #2022-08-05 Whiting/Dahl unanimous to adopt RESOLUTION #22-08-05, approving and authorizing execution of a Land Exchange Agreement between the City of Zimmerman and Ronald F. and Laura M. Larson, exchanging City Parcel #95-472-1480 for Parcels #30-401-0010 and #30-401-1490 owned by the Larsons, as requested and recommended by staff. Motion carried.

Purchase of Property for Park Use

Annexation discussions with Livonia Township have included consideration of the City acquiring a vacant 13-acre parcel on the north side of Lake Fremont, adjacent to a Township park. The Town Board believes acquisition and public control of this property is important to expand the existing park, creating a land area over 30-acres in size. The landowners are willing to sell the property to the City to provide additional public opportunity and lake access. Piasecki requested authorization to work with the City Attorney to begin preparation of documents to proceed with the acquisition process. Staff with update Council on progress and request formal approval of a purchase at a later date.

Stay/Whiting unanimous to authorize staff to initiate the process to purchase a 13-acre parcel on the north shore of Lake Fremont identified as PIDs #30-004-1400 and #30-550-0040, from Larry and Wanda Thoreson, and Deanna Knox for future park purposes. Motion carried.

MAYOR/COUNCIL ITEMS

Mayor Stay noted the following upcoming events:

- August 27 -- Passing the Bread Food Distribution – 9 - 11 a.m., UMA Precision Machining with set up in the morning on Friday, August 26. Member Earenfight reported that this year to date, Passing the Bread has served 1,700 households in Zimmerman and Princeton, with approximately 8,000 pounds of food per month. Council thanked the community for their generosity and support of Passing the Bread.
- September 5 – Labor Day Holiday – All City Offices are closed
- September 10 – City-wide Events
 - Station #1 Fire Department/Event Center Open House and Craft Fair 11 a.m. – 3 p.m.
 - Shred Event – 10 a.m. – 1 p.m. – City Hall Parking lot
 - St. John’s Fall Festival – 9 a.m. – 3 p.m. – St. John Lutheran Church
 - Ladies On The Loose – 10 a.m. – 2 p.m. – various locations throughout town
 - Annual Firemen’s Dance -- 8 p.m. – Midnight – Station #1 Fire Hall/Event Center

Before adjourning Mayor Stay 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/Dahl unanimous to adjourn the meeting at 7:52 p.m. Motion carried.

Approved this 12th day of September 2022.

s/s Kary Tillmann, Clerk/Treasurer