

**MINUTES OF THE REGULAR MEETING
OF THE ZIMMERMAN CITY COUNCIL
MONDAY, DECEMBER 18, 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, Council Members Dahl, Earenfight, Farber and Whiting. Also present were Administrator Piasecki, Clerk/Treasurer Tillmann, Public Works Director Koehler, and Streets, Parks, and Utilities Supervisor Dallager.

AGENDA APPROVAL

Farber/Whiting unanimous to approve the agenda with the addition of Acceptance of the Memorandum of Understanding for 2023 Audit Services under Finance Report.

CONSENT AGENDA

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

- a. Approve the minutes of the December 4, 2023 Regular Meeting of the City Council as presented.
- b. Approve the minutes of the December 11, 2023 City Council Committee of the Whole Meeting as presented.
- c. Approve the payment of claims (check #45743 - #45786) in the amount of \$42,625.12, and electronic payments (check #2796e - #2806e) in the amount of \$59,282.61 as presented.
- d. Approve payment to H & L Mesabi in the amount of \$12,258.29 (ck #45788) for plow blades and related equipment to be used for winter snow removal as identified on invoices #12807, to be paid from the General Fund Street Department budget, as indicated by the Public Works Director.
- e. Adopt **RESOLUTION #2023-12-05**, approving Pay Request #9 in the amount of \$233,201.24 (ck #45789) submitted by Magney Construction, Inc., for expenses related to the construction of the 5th St W Water Tower and Treatment Plant, as recommended by staff and the City Engineer.
- f. Accept Invoice #3919 in the amount of \$5,535.04 (ck #45790) authorizing payment to Metro West Inspection Services, Inc., for professional building inspection services for the month of November 2023, as recommended by staff.
- g. Adopt **RESOLUTION #2023-12-06**, approving amendments to the 2023 General Fund Revenue and Expenditure Budgets as presented and as recommended by staff.
- h. Approve financial assistance for the Lake Fremont Improvement Association in an amount not to exceed \$500, towards the electricity expense to run the aerator on Lake Fremont during the 2023 - 2024 winter season.
- i. Accept the November 2023 Building Permit Surcharge Report as presented.
- j. Adopt the 2024 City Council Meeting Schedule as presented.
- k. Adopt the 2024 City Holiday Schedule as presented.
- l. Adopt **RESOLUTION #2023-12-07**, designating Free Grace United Church as the polling place for City of Zimmerman Precinct 1 and Refuge Evangelical Free Church as the polling place for City of Zimmerman Precinct 2 for all municipal elections taking place within the boundaries of the City of Zimmerman in 2024, as required by MN Statute 204B.16, as recommended by staff.
- m. Approve the re-appointment of Jay Whiting to a 4-year term on the Planning Commission, expiring 12/31/2027, as recommended by staff.
- n. Approve the license registration for a Sewer and Water Installer, for the period of December 19, 2023 – December 31, 2024, as requested by Tim Neutgens, dba Neutgens Excavating, 16230 – 54th Street NE, St. Michael, MN 55376.

OPEN FORUM

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

PUBLIC WORKS REPORT

2023 Water and Sewer Fund Budgets

Public Works Director Koehler presented proposed 2024 Water and Sewer Fund Budgets, stating that budgets for the two funds are very close to 2023 numbers.

Stay/Earenfight unanimous to approve the proposed 2024 Water (601) and Sewer (602) Fund revenue and expenditure budgets as presented and as recommended by staff. Motion carried.

Sewer Vac Truck

Council recently approved the purchase of a Vac Truck to replace the failing vac truck currently owned by the City. The truck is being prepped for delivery and should be ready by the end of 2023.

Whiting/Farber unanimous to approve payment to MacQueen Equipment in the amount of \$465,177.00 (ck #45792) for the purchase of a 2021 VACTOR 2100i Vac Truck using the City's remaining ARPA funds (approximately \$126,000) with the balance paid from the Sewer Fund (Fund 602), as recommended by staff.

Whiting/Stay unanimous to authorize staff to dispose of the existing vac truck and jetter trailer as appropriate. Motion carried.

FINANCE REPORT

Appointment of City Hall Administrative Assistant

One of the City Hall Administrative Assistant positions was vacated in September 2023, and Council authorized staff to advertise to fill the position. The opening was advertised with 46 applications received and processed. Staff conducted interviews with 6 very qualified candidates at the end of November and is seeking the appointment of Kellie Bossen to the position. Bossen would start employment with the City on January 2, at Level 4, Step 1 of the adopted 2024 Salary scale.

Earenfight/Whiting unanimous to appoint Kellie Bossen to the position of City Hall Administrative Assistant at Level 4, Step 1 of the 2024 Salary scale, effective January 2, 2024, as recommended by staff. Motion carried.

Bossen was introduced to the Mayor and Council, who wished her well in the position.

Reinvestment of City Funds

The City's investment with the Bank of Elk River valued at approximately \$256,450 will mature on December 23. Staff has been in contact with brokers and local bank representatives to provide a recommendation for reinvestment, based on current holdings and rates available for consideration. BOER is offering a reinvestment rate of 5.05% for 5 months, which is a good rate for a short-term investment. Staff will be investigating options for investing funds in the BOER money market account as well.

Earenfight/Farber unanimous to approve the re-investment of \$256,450 with the Bank of Elk River for 5 months, utilizing funds from the matured CD. Motion carried.

2023 General Fund Budget and Levy

Council has reviewed the General Fund Budget since presented in August 2023. In September, Council certified a preliminary levy of \$2,687,416, which included levied funds for Capital Expenditures and debt service for 269th Avenue Improvements and the City's share of the Fire Hall/Event Center. An additional EDA levy in the amount of \$50,000 was also certified to Sherburne County. The proposed budget and levy were discussed at the public comment meeting on December 4, 2023 and remains unchanged since presented at the Public Comment Meeting. The final levy is proposed at \$2,687,416. The expenditure budget totals \$4,355,498. The final levy must be certified to the County Auditor/Treasurer by December 28, 2023.

RESOLUTION #23-12-08 Earenfight/Dahl unanimous to adopt RESOLUTION #2023-12-08, approving the 2023 General Fund Levy for taxes collectible in 2024 as follows: General Fund and Parks: \$1,982,416; Capital Improvements: \$410,000; 269th Ave Improvement Debt: \$107,000; Fire Hall/Event Center Debt: \$188,000; for a total levy amount of \$2,687,416, upon taxable property in the City of Zimmerman. Motion carried.

RESOLUTION #23-12-09 Earenfight/Stay unanimous to adopt RESOLUTION #2023-12-09 approving the 2023 EDA levy in the amount of \$50,000 for taxes collectible in 2024 upon taxable property in the City of Zimmerman. Motion carried.

Discussion was held regarding the vacant Planner position included in the 2024 General Fund Budget.

RESOLUTION #23-12-10 Whiting/Stay to adopt RESOLUTION #2023-12-10, approving the 2024 operational budget for the General Fund and Parks in the amount of \$4,355,498, as presented, and as recommended by staff. Roll call on the motion: Dahl, aye; Earenfight, naye; Farber, aye; Stay, aye; Whiting, aye. Motion carried.

2023 Audit Memorandum of Understanding

The City has a 5-year contract with Abdo to perform annual audit services. The memorandum of Understanding confirms the provision of services by Abdo for 2023.

Stay/Whiting unanimous to accept the Memorandum of Understanding between the City of Zimmerman and Abdo for audit services for the year ended December 31, 2023 as recommended by staff.

ADMINISTRATOR'S REPORT

Tall Pines Second Addition Public Improvements

Menard Inc. has completed the public improvements for Tall Pines Second Addition per the executed Development Contract. Engineer Bittner has confirmed that the improvements have been completed to the City's standards and recommends acceptance of the improvement, start of the 1-year warranty period, and the release of securities less any outstanding fees and receipt of the warranty bond.

Earenfight/Stay unanimous to accept the public improvements constructed in Tall Pines Second Addition upon receipt of a 1-year warranty bond, payment of outstanding fees and invoices and authorize the release of securities deposited by Menard, Inc., as recommended by staff and the City Engineer. Motion carried.

Draft Ordinance No. 347 Amending Chapter 7 – Licensing

Staff has previously updated Council with the intent to have Council consider amended Chapter 7 of City Code to eliminate certain licensing requirements. These include the annual dog license, licensing for gas sales, billiards, bowling alleys, electronic gaming (video games), and various other licensing requirements that are not used by the city, obsolete, or redundant and regulated by MN Statutes. Piasecki presented a draft ordinance prepared by Attorney Mattick which modifies Chapter 7 by eliminating certain licensing provisions and amending sections pertaining to Special Events and Peddlers and Solicitors licensing.

In the proposed ordinance, licensing requirements for the following sections are repealed: 7.011 Motor Vehicle Sales, 7.0112 Contractors, 7.0113 Bowling Alleys, 7.0114 Billiards, 7.0115 Cigarettes, 7.0117 Gasoline Sales, and 7.0118 Electronic Entertainment Devices. Section 7.0116 Music Festivals is repealed and replaced by Section 7.0116 Special Events, pertaining to the assembly of 25 or more persons for longer than 1 hour, including concerts, fairs, carnivals, circuses, parades, etc., but not including noncommercial social events on private property such as birthday parties, graduations, reunions, and the like.

Section 7.02 Peddlers and Solicitors is repealed and replaced by a new Section 7.02 regulating peddlers, solicitors, and transient merchants. This change is recommended by the City Attorney based on the League of MN Cities model regulations and provides for daily or annual licensing after a complete application is submitted to staff and the application vetted. Staff issues these licenses/permits, with potential appeals of denied licenses or revocations being submitted to and heard by Council.

Staff requests Council adopt the Ordinance as prepared and submitted. Changes to the 2024 Fee Schedule would follow, eliminating fees for licenses or actions required by repealed sections of Chapter 7 if approved by Council following the 2024 Fee Schedule public hearing on this agenda.

Earencourt/Stay unanimous to adopt Ordinance No. 347 of City Code concerning licensing. Motion carried.

Mayor Stay declared a recess at 7:26 p.m. and reconvened the meeting at 7:29 p.m.

Public Hearing – Proposed 2024 Fee Schedule

Mayor Stay opened a Public Hearing at 7:29 p.m. for the purpose of accepting testimony regarding the proposed 2024 Fee Schedule.

Administrator Piasecki explained that a public hearing for the fee schedule is required because Planning and Zoning related fees are subject to public hearing. Piasecki reviewed the proposed changes to the fee schedule including compost cards, park rental and use fees, water and sewer rates, access charges and connection fees per the Long-Term Financial Plan recently completed by Northland Securities.

The following public comments were heard:

Nick Houle, President of Zimmerman Youth Football Association, 28453 Blue Lake Drive, Zimmerman: Believes that doubling the City's fee from \$7.50 per participant to \$15.00 per participant for youth sports is too drastic for the Association and parents to absorb and would like to see a more incremental increase. With 200 kids playing football per season, the increase of \$1500 is too much, even though the Association understands that costs have also increased for the City to purchase paint, chalk and electricity used by the Association. Feels that an increase to \$10 per participant is fair and would like to discuss future increases with staff and Council. Would agree to \$15 per participant in 2025.

Bob Trumbull, President of Zimmerman Youth Baseball Association, 24588 – 138th Street NW, Zimmerman: Youth baseball registration opened last week, and it is too late to pass on the additional \$7.50 per participant increase to baseball parents through registration. The \$7.50 increase for 110 ZYBBA participants would have the Association operating at a deficit for the 2024 season.

Mike Skogen, Tournament Manager, Girls Youth Softball Association, 13238 – 12th Avenue S, Zimmerman: GYSBA will be using the City fields more this coming season due to the loss of school field space.

Mark Fischer, 12939 – 9th Avenue S, Zimmerman, feels that the quality of the fields for youth football was poor in 2023.

Brad Thomas, 11113 – 256th Avenue, Zimmerman, commented that the Elk River Youth Hockey Association gives \$60/player to hockey kids in the ERYHA from revenue generated from pull tabs in Elk River and questioned why the City doesn't have a requirement that funds from local pull tabs are given back to the Zimmerman community. Staff commented that the Zimmerman/Livonia Fire Relief Association owns and operates the pull tab booths at various establishments in town and contributes a significant amount of money to residents and organizations in the community on a regular basis.

Sam Rivers, 26618 – 9th Street West, Zimmerman, commented that his taxes are already too high and pay for normal park maintenance, and questioned why the Associations had to pay for additional services in the park. He added that the City has not improved any services to residents in the 18 years he has lived in town, stating that if the City wanted the Associations to stay in town, we should not be talking about charging them for field use.

Josh Svedin, 25827 – 19th Street West, Zimmerman, questioned if the City was using too much paint and chalk on the fields and if the City could cut other costs so the increase is less.

Joanna Mattson, 11719 – 269th Avenue NW, Zimmerman, stated she was told by the Livonia Town Board that the Township contributed half the cost of the lights at the Park, also questioned how much money the Township contributes to the City for park maintenance since a large number of participants reside in Livonia Township. Member Earenficht stated that Livonia Township financially contributed half the cost of the lights when they were installed. The township does not contribute financially for township kids to play youth sports on City fields.

There being no further comments from the public, Mayor Stay closed the public hearing at 8:27 p.m.

RESOLUTION #23-12-11 Stay/Farber unanimous to adopt RESOLUTION #2023-12-11, approving Ordinance No. 348, adopting the 2024 Fee Schedule, amending the per participant fee for youth sports to \$11 per participant for 2024, and authorizing publication of the summary ordinance as presented and recommended by staff. Motion carried.

MAYOR/COUNCIL ITEMS

Mayor Stay noted the following upcoming events:

- December 23 – Passing the Bread (PTB) Food Distribution – 9 – 11 a.m. at UMA Precision Machining
 - PTB setup on Wednesday, December 20 and Friday, December 22, 2023
- December 25 – All City Offices closed in observance of Christmas Day
- January 1, 2024 – All City Offices closed in observance of New Years Day

Before adjourning, Mayor Stay asked for a moment of silence in honor of US military personnel and first responders at home and abroad.

Stay/Dahl unanimous to adjourn the meeting at 8:39 p.m.

Approved this 8th day of January 2024.

s/s Kary Tillmann, Clerk/Treasurer