



**CITY OF BLUE EARTH MINUTES
CITY COUNCIL MEETING
Monday, December 5, 2022, at 5:00 P.M.**

The Blue Earth City Council convened on Monday, December 5, 2022 at 5:00 p.m. at the Blue Earth City Council Chambers.

CALL TO ORDER

Mayor Scholtes called the meeting to order at 5:00 P.M.

ROLL CALL

Councilmembers Huisman, Erichsrud, Cassem, Cole, Hanna and Ristau Present.

Staff: City Engineer Wes Brown; City Attorney, David Frundt; and City Administrator, Mary Kennedy.

DETERMINATION OF A QUORUM

Quorum present

PLEDGE OF ALLEGIANCE

Mayor Scholtes led the Pledge of Allegiance

CHANGES TO AGENDA

Wage Study Flaherty and Hood- Closed Session

MEETING OPEN TO THE PUBLIC

Fiona Green, Faribault County Register; Joshua Kafka, KBEW; Ben Rosol, Project Engineer; Michael McNerney, Jacque Drew, Rachel Parker, Bruce Firkins, Dan Skogen, Nicholas Bleess, Bridget Gallagher, Warren Long, Susan Phillips, LR Huntley, Terri Colby, Jacci Sparks and Loren Eckhardt.

No Public Comment

APPROVAL OF MINUTES

Minutes from the Work Session and the Council Meeting of Monday, November 21, 2022.

Motion by Huisman, second by Erichsrud to approve the Minutes from the Council Meeting of Monday, November 21, 2022. The motion was passed unanimously.

CONSENT AGENDA

No Consent Agenda.

CORRESPONDENCE

Senior Center December 2022 Newsletter

PUBLIC HEARING

Public Improvement Hearing 2023 Street & Utility Improvements (5:05pm)

Scholtes opened the hearing at 5:05pm.

Rosol reviewed the street & utility improvements for the 2023 Street Project as N Ramsey, Moore, Galbraith, and the 3rd Street dead end, this being the first of two hearings required by law, MN Statute 429 Assessment Procedures.

Next, Rosol reviewed the project scope, right-of-way definition, project impacts, proposed assessments, schedule, and allowed opportunity for public input/discussion.

Rosol reviewed the definition of right-of-way and resident responsibility for items such as dog fences, irrigation systems, landscaping, and gardens, etc., noting that the right-of-way is land established to allow the City to perform necessary street improvements.

Rosol implied that the existing street conditions are in poor shape along with poor existing infrastructure conditions. Rosol shared that the Project objective is to improve street surface conditions, reduce sewer inflow, infiltration, and obstructions, increase water system flow capacity by replacing deteriorating infrastructure, and decrease maintenance and cost.

Rosol went over possible impacts to the street project, with tree removals and Blue Earth Light & Water, CenterPoint Energy, and Bevcomm and what residents may expect during the project. Rosol reviewed the proposed improvements with the street reconstruction to 36ft streets, driveway aprons, sidewalks, water, and sewer to property lines.

Rosol reviewed the preliminary cost estimates, assessment policy and the estimated project cost of \$4,754,600.55.

Rosol opened the hearing for public input.

Bruce Firkins inquired about sidewalk replacement and why the property owner is responsible for the cost rather than the City.

Bridget Gallagher questioned tree replacement and suggested a variety of species be planted to avoid tree diseases having major impacts in the future.

Scholtes closed the Public Hearing 5:46 pm

Engineering Services Addendum Number 7

Scholtes brought forth Engineering Services Addendum No 7.

Motion by Hanna, second by Huisman to approve the General Engineering 2022 Addendum No.7. The motion was passed unanimously.

REPORTS FROM STAFF

City Attorney Frundt

516 E 6th Street Update

Frundt gave an update on the nuisance abatement at 517 East 6th Street. Frundt advised that he was made aware that the property owner has been cleaning up the property by removing portions of the fence to remove or relocate vehicles. The plan would be for the City to reach out to the property owner, offering a city dumpster. Frundt indicated that the property hearing is scheduled for December 27th.

Ordinance to Rezone Part of Grant Street

Next, Frundt addressed an Ordinance to Rezone Part of Grant Street, this being the first reading. The ordinance allows to rezone certain parcels located adjacent to Grant Street that are currently zoned as R1 Residential. To comply with the properties current and intended uses, the staff recommends rezoning to HBLI Highway Business and Limited Industry.

Motion by Huisman, second by Ristau to approve the hearing for December 19th for the Ordinance to Rezone Part of Grant Street. The motion was passed unanimously.

City Engineer Wes Brown:

Project Updates

Brown indicated that the only update for the 2022 Street project is that Evergreen is scheduled to be in town this week to spray hydro-mulch.

2023 General Engineering Services Agreement.

Next, Brown addressed the 2023 General Engineering Services Agreement for approval.

Motion by Cassem, second by Huisman to approve the 2023 General Engineering Services Agreement. The motion was passed unanimously.

Senior Center Department Update December

No Discussion

REPORTS FROM BOARDS AND COMMISSIONS

Library Board Meeting 12.12.22

Economic Development Authority Meeting 12.08.22

Housing and Redevelopment Authority Meeting 12.12.22

Rural Entrepreneurial Venture Meeting 12.08.22

Senior Center Board Meeting 12.13.22

Rural Entrepreneurial Venture Subcommittee

Motion by Huisman, second by Ristau to approve the reports from the Boards and Commissions. The motion was passed unanimously.

PUBLIC HEARING

Truth in Taxation Hearing (6:00pm)

Kennedy reviewed the memo in the packet indicating that each local government is required to formally adopt a proposed levy in September and during this time local governments are required to hold a public meeting allowing public comment which must be done prior to adopting its final levy. In September the levy is set high and worked down, suggesting that it set it higher than intended because City's are not allowed to increase from the preliminary number. Blue Earth's Preliminary levy was set at 15% and staff currently has worked the levy increase for 2023 to a 4.1% increase.

Loren Eckhart questioned the increase to his property taxes. Scholtes suggested looking at the property valuation, noting that residents have the opportunity to attend the Board of Appeals and Equalization meeting in April with Faribault County Assessor to discuss changes to valuation.

Scholtes closed the Hearing at 6:09pm

OLD BUSINESS

Resolution 22-29 2023 Fee Schedule

Motion by Huisman, second by Hanna to approve Resolution 22-29 2023 Fee Schedule. The motion passed unanimously.

2023 Budget Discussion

Work Session

NEW BUSINESS

Closed Session 6:10pm (pursuant to Minn. Stat. § 13D.03; 13D.05, subd. 3).

- **Wage Study – Flaherty and Hood.**
- **Discuss Labor Negotiations**

Motion by Huisman, second by Hanna to approve going into Closed Session at 6:10 pm. The motion passed unanimously.

Motion by Huisman, second by Erichsrud to approve ending the Closed Session at 6:40 pm. The motion passed unanimously.

Scholtes indicated that no decisions had been made with the wage study, and continued discussions December 19th meeting.

The Council directed Scholtes and Kennedy to continue working with AFSCME in the labor union negotiations.

TRANSFER OF FUNDS AND OTHER BUDGETORY MATTERS

Investment Schedule

PAYMENT OF CLAIMS AND APPROVAL OF CLAIMS AND APPROPRIATIONS

Consideration of Payment of the Bills

Motion by Huisman, second by Ristau to pay the bills. The motion passed unanimously.

CITY ADMINISTRATORS REPORT

Payroll Summary

Administrator Report.

The City Council Retirement Party will be on January 16th at 5:00 pm at the American Legion.

NEXT WORKSESSION ITEMS

2023 Budget Discussion.

ADJOURN

Motion by Huisman, second by Cassem to adjourn the meeting at 7:43pm. The motion was approved unanimously.