



**CITY OF BLUE EARTH MINUTES
CITY COUNCIL MEETING
Tuesday, February 21, 2023, at 5:00 P.M.**

The Blue Earth City Council convened on Tuesday, February 21, 2023 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, Hanna, Ristau, McNerney, Drew, and Walter are Present.

Absent: Honorary Councilmember Davis

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

DETERMINATION OF A QUORUM

Quorum present

PLEDGE OF ALLEGIANCE

Mayor Scholtes led the Pledge of Allegiance

CHANGES TO AGENDA

9.2 After the Consent Agenda

9.3 Tennis Courts, move to top of Agenda following 9.2.

MEETING OPEN TO THE PUBLIC

Fiona Green, Faribault County Register; Josh Kafka, KBEW Radio; Heidi Schutt, Blue Earth Library and Fossil Center; Bret Osborn, John Roper, Susie Rosenau and Allen Hanson.

Blue Earth Library and Fossil Center

Heidi Schutt, Blue Earth Library and Fossil Center gave an update on the Faribault County Reads Program. Schutt implied that the library purchased 20 copies of Carolina Moonset, implying that all 20 copies of the book are out, with a waiting list of people reserving a copy.

APPROVAL OF MINUTES

Minutes from the Work Session and the Council Meeting of Monday, February 6, 2023.

Motion by Huisman, second by Ristau to approve the Minutes from the Council Meeting of Monday, February 6, 2023. The motion was passed unanimously.

CONSENT AGENDA

Raffle Permit Blue Earth Area Youth Baseball Association

PD Travel Request

FD Travel Request

Faribault County EDA Event Request

Motion by Hanna, second by Huisman to approve the Consent Agenda. The motion was passed unanimously.

Golden Spike Speedway

Bret Osborn updated the Council on the Golden Spike Speedway for 2022, suggesting it was a very good year. The events scheduled had seen good turnouts of competitors. Updates to the scoreboard and future updates to the sound system and bleachers will enhance the experience of the raceway. Osborn addressed parking issues with the Council, inquiring of areas prohibited for additional parking. Scholtes directed Kennedy and Holland to discuss additional parking plans and suitable locations and get back to Osborn with what would be deemed appropriate.

Tennis Courts

Kennedy reviewed the information that had been submitted to the Councilmembers in the meeting prior by Doug Green of Baker Tilly. Kennedy added that the timeline is Doug Green's preliminary outline. Kennedy reviewed past plans and cost for both the School Courts, and Putnam Park with the financing options, implying that numbers will need to be updated as the costs presented are last year's numbers. Next, Kennedy clarified how the lease revenue bonds work, adding that this option is risky and could affect the A+ Rating if not done correctly.

Hanna reiterated the City & School Joint Powers meeting held earlier in the afternoon, reviewing the partnership taking place with the hope of a 70-30 cost split of the project. Hanna advised that Mandy Fletcher would be addressing this at the school board meeting next week. Scholtes recommended a motion to approve the 70-30 cost split, with the City contributing 30%, directing Kennedy to start the work process with Baker Tilly.

Al Hanson spoke of the constraints the tennis teams would face without the new courts.

Susie Rosenau addressed the USTA Grant with matching contribution, along with the obligation that the USTA would be assisting in the design of the tennis courts. Scholtes advised that the grant would need additional research before moving forward in that direction.

Motion by Hanna, second by Huisman to approve the 70%-30% cost split and, directing Kennedy to start the work process with Baker Tilly, contingent on approval by the School Board. The motion was passed unanimously.

CORRESPONDENCE

No Correspondence

PUBLIC HEARING

No Public Hearings

REPORTS FROM STAFF

City Engineer

Project Updates

Brown advised that the 2023 Street Project would go out for bid late March.

Professional Agreement Addendum No. 1 (Valley Highland Lift Station Improvements)

Brown addressed the Valley Highland Lift Station Improvements and conditions of the lift station with the Council, recommending the improvements with the cost estimate of \$350,000.00. Brown advised pumps could take up to 9 months to get in.

Motion by Hanna, second by Walter to approve the Professional Agreement Addendum No. 1 Valley Highland Lift Station Improvements. The motion was passed unanimously.

Street Project Tree Replacement Reimbursement Program

Brown brought forth the Street Project Tree Replacement Reimbursement Program and draft application. The Council reviewed the perimeter list of tree type that would qualify for the program. Kennedy advised that applications from residents on the street project only would be accepted. Scholtes recommended checking into the 2022 street project tree replacement and see if the project trees from the contractor could be retroactive and if the 2022 project could qualify for the new replacement program.

Riverside Heights - Summary of Cost

Brown addressed the Riverside Heights Sanitary Sewer Evaluation, recommending consideration of annexing Riverside Heights into the City of Blue Earth. Brown reviewed the current conditions with the septic system. Brown brought forth three options with cost estimates.

Fruendt reviewed the annexation agreement from the early 1970's, adding that the equalization tax base would phase in over 5 years.

Motion by Ristau, second by Walter to approve moving forward with the annexation process. The motion was passed unanimously.

City Attorney Fruendt

Ordinance for the Conveyance of Real Property Owned by the City of Blue Earth

Fruendt addressed the amended deed description and the second reading of the Ordinance 23-01 for the Conveyance of Real Property Owned by the City of Blue Earth to Blue Earth Light & Water, site located at the West Industrial Park.

Motion by Hanna, second by Walter to approve Ordinance 23-01 for the Conveyance of Real Property Owned by the City of Blue Earth to Blue Earth Light & Water. The motion was passed unanimously.

Mayor Scholtes requested the roll call.

Roll Call:

Councilmember Huisman	Aye
Councilmember Hanna	Aye
Councilmember Ristau	Aye
Councilmember Drew	Aye
Councilmember Hanna	Aye
Councilmember McNerney	Aye
Mayor Scholtes	Aye

The motion was passed.

602 E 7th Street Update

Frundt addressed the 602 E 7th Street update and code enforcement issues. Scholtes indicated that he had communication with Josh Stensland on behalf of his father Bruce Stensland. Stensland requested an additional time frame to rectify the code enforcement issues. Huisman requested additional information on the vehicles, asking staff for a re-examination of this information.

Monthly Liquor Sales

No Discussion

Monthly Library Report

No Discussion

REPORTS FROM BOARDS AND COMMISSIONS

Library Board Minutes 1.9.23

Economic Development Authority Minutes 1.12.23

Housing and Redevelopment Authority Minutes 1.9.23

Rural Entrepreneurial Venture Subcommittee Minutes 1.12.23

Parks and Recreation Subcommittee Minutes 12.21.22 & 1.18.23

Senior Center Minutes 1.10.23

Charter Commission Minutes 1.21.22

Street Improvement Subcommittee Minutes 8.24.22

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

OLD BUSINESS

Personnel Policy Update

Kennedy brought forth the Personnel Policy Holiday with the recommendations added to the policy.

- Employees are not permitted to take floating holidays.
- Employees are not permitted to work on official holidays unless they have been called in by a supervisor or have received prior approval by the City Administrator.
- Any employee called in to work on an official holiday will receive premium pay for a minimum of 2 hours, regardless of time actually worked.

Motioned by Hanna, second by Drew to approve the changes to the Personnel Policy. The motion was passed unanimously.

NEW BUSINESS

125 and 117 E 1st Street Water Service

Brown addressed the existing combined service. As part of the project, house #117 was rerouted to 1st Street with the contractor capping the water service. It had been discovered that there was a leak, the repairs were completed by Boeckman Plumbing. Shirley Maher is requesting the bill be paid by the city for a total of \$82.98.

Motioned by Hanna, second by Drew to approve the Shirley Maher request of reimbursement for the Boeckman Plumbing invoice for \$82.98. The motion was passed unanimously.

Rheingans Sewer Forgiveness Request

Kennedy addressed the Josie Rheingans sewer forgiveness request for the property located at 525 N Rice Street. Kennedy reviewed the billing information with the bill clearly showing the bill was significantly higher than normal in June, July, August, and September of 2022. It has been determined the increase was due to a leak with the water softener. Total credit recommendation of \$263.36.

Motioned by Huisman, second by Walter to approve Josie Rheingans sewer forgiveness request for a total credit of \$263.36. The motion was passed unanimously.

Parks and Rec Committee Project – Third Ward Park

Kennedy brought for the request from the Parks and Rec Committee for the renaming of Third Ward Park, the recommendation consists of a contest between K-5 students to come up with a new name for the park. The classroom with the winning name would receive a prize.

PTE Pool Wages

Kennedy advised Michelle Hall is requesting a \$1.50-\$2.00 wage increase based on job classification on the current fee schedule for pool staff. Kennedy presented wage comparisons from other cities for part-time pool employees. Scholtes address lifeguard training fees and recommended those be paid back as part of an incentive for employees once the pool season had been completed.

Motioned by Ristau, second by Walter to approve \$2.00 wage increase based on job classification on the current fee schedule for pool staff and \$200 New Lifeguard Certification fee reimbursement upon the completion of one full employment season. The motion was passed unanimously.

2023 Swimming Pool Rates

Next, Kennedy addressed the swimming pool rate increase for babysitter passes from \$20.00 to \$25.00 and the swimming lessons would increase lessons for Toddlers / Preschool from \$20.00 to \$25.00.

Motioned by Ristau, second by Walter to approve swimming pool rate increase for babysitter pass from \$20.00 to \$25.00 and the swimming lessons would increase lessons for Toddlers / Preschool from \$20.00 to \$25.00. The motion was passed unanimously.

TRANSFER OF FUNDS AND OTHER BUDGETORY MATTERS

Investment Schedule

No discussion

Year to Date Budget Summary

No discussion

PAYMENT OF CLAIMS AND APPROVAL OF CLAIMS AND APPROPRIATIONS

Consideration of Payment of the Bills

No discussion

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

CITY ADMINISTRATORS REPORT

Payroll Summary

No discussion

Administrator Report

Kennedy addressed the Chamber Banquet, suggesting that anyone that would want to attend the banquet to contact city staff to be put on a list. The reservation would be needed by March 6th.

NEXT WORKSESSION ITEMS

Work Session March 6, 2023: Library and EDA Annual Reports

Closed Session

Property Transaction Discussion - Closed Session (*Pursuant to Minn. Stat. § 13D.03; 13D.05, subd. 3*)

Internal Affairs Investigation Report – Closed Session (*Pursuant to Minn. Stat. § 13D.03; 13D.05, subd. 3*)

Motion by Huisman, second by Ristau to go into close session at 7:12pm Motion passed unanimously.

Motion by Huisman, second by Walter to close the closed session at 8:17. Motion passed unanimously.

Scholtes provided a summary of the closed session, indicating a discussion took place regarding a real estate offer on two lots in the Prairie View Subdivision.

Motion by Drew, second by Walter to accept the offer of \$21,500 for the two lots. Motion passed unanimously.

Council directed City Attorney David Frundt to prepare the ordinance to convey real property for the next Council meeting, where the first reading of the ordinance can be held.

Mayor Scholtes indicated that the Council reviewed an Internal Affairs Investigation report and that no action was taken. A Special Meeting of the City Council will be held at 5:00 pm on Monday, February 27, 2023, at City Hall.

ADJOURN

Motion by Huisman, second by Walter to adjourn at 8:22pm. The motion was approved unanimously.