



**BLUE EARTH CITY COUNCIL
CITY COUNCIL CHAMBERS
REGULAR CITY COUNCIL MEETING
5.1.2023 | 5:00 PM
MINTUES**

Meeting called to Order by the Mayor at 5:00 pm

Attending: Councilmembers Hanna, Huisman, McNerney, Ristau, Walter; Honorary Councilmember Davis; and Mayor Scholtes

Absent: Councilmember Drew

A quorum was present.

Staff attending: City Administrator Mary Kennedy, City Attorney David Frundt, and City Engineer Wes Brown, Police Chief Tom Fletcher.

Mayor Scholtes Opened the Meeting to the Public

In attendance: Dave Kittleson, Shellie Poetter, Mark Daly, Gary Armon, Dar Holmseth, Chuck Hunt, Active Living Coalition; Chris Cyphers, B&B Sanitation; Gene Schimeck and Dan Woodring, Interfaith Caregivers; Fiona Green, Faribault County Register; Josh Kafka, KBEW Radio; Doug Green, via Microsoft Teams.

Dan Woodring, Interfaith Caregivers provided the City Council with a correspondence outlining the funding formula for Interfaith Caregivers, and a proposed change which would decrease funding to Greater MN, impacting Blue Earth's programming. Woodring requested that the City Councilmembers consider providing Public Comment to the Board on Aging prior to the Wednesday, May 5th deadline, via a link provided in the document.

*Addition to the Agenda:

10.5 Sewer Forgiveness Request

Approval of the Minutes

Motion offered by -, seconded by -- to approve the City Council Meeting minutes of --. The motion passed unanimously.

Consent Agenda, License, and Permits

Lemon Permit

Lost Saint Brewers Application

Kee Kafe LLC DBA Bummy's

Motion offered by Huisman, seconded by Hanna to approve the Consent Agenda. The motion passed unanimously.

Huisman inquired with Police Chief Fletcher if merchants were required to list their locations of operation and if the Police Department had any issues in the past with complaints regarding the merchants. Fletcher indicated that because they are transient merchants, a location is not required and the Police Department has not had any complaints.

Correspondence

Senior Center Newsletter included in the packet.

Public Hearings

No Public Hearings.

Reports from Staff Members

City Engineer, Bolton & Menk (Brown)

Project Updates – Contractors are replacing the remaining sod this week from last years failed sod. The contractor will uphold a maintenance period of 30 or 60 days, which is being confirmed by Bolton and Menk. Centerpoint Energy is relocating gas lines over the next one to two weeks. Holtmeier has not provided a firm start date for this year's project, however the preconstruction meeting is scheduled for Wednesday of this week.

American Engineering Testing – This is a standard agreement which has been used in past street projects and is a part of the project cost. This is for materials testing including asphalt, concrete, soils, etc.

Motion offered by Huisman, seconded by Hanna to approve the American Engineering Testing Proposal. The motion passed unanimously.

City Attorney, Frundt, Lundquist and Gustafson (Frundt)

Ordinance 23-03 Sale to Pevestorf (2nd Reading) – The Council held a second reading of an ordinance to convey a tract of real property owned by the City of Blue Earth and the Housing and Redevelopment Authority to Kevin and Annette Pevestorf in the amount of \$223,000.00.

Motion offered by Ristau, seconded by McNerney to approve Ordinance 23-03 Ordinance to Convey a Tract of Real Property Owned by The City of Blue Earth and The Housing and Redevelopment Authority, contingent on the purchasers selling their home. The motion passed unanimously.

602 E 7th Street Update - Garage doors have been installed and some vehicles have been parked in an orderly fashion, however there is a jeep, a van, and a pickup truck that are all subject to being towed. The City Attorney is still pursuing criminal charges.

517 E 6th Street Update - The property owner has had a dumpster for at least one week which has been dumped several times. Frundt will inform the property owner of the City clean up days for disposal of items that are unable to be put in the dumpsters.

3 Sisters Update – Frundt shared a correspondence that was provided by Project 3 Sisters Attorney, Sara Wilson. The correspondence outlined a settlement opportunity whereby the City would have the opportunity to reacquire the 3 Sisters buildings. The letter outlined hard costs, design costs, and soft costs that Project 3 Sisters would require the City to acknowledge. Project 3 Sisters is willing to accept \$180,000 relating to hard costs incurred, and provided a list of costs. Councilmember Huisman indicated that the request had no validity and that the City and EDA had met its commitments. Mayor Scholtes stated that Project 3 Sisters can keep the buildings. Councilmember Ristau stated that Project 3 Sisters was the party to walk away from the project. The Council agreed that there is no proof of payment in the hard costs listed. Kennedy also provided a document outlining the history between the City/EDA and Project 3 Sisters.

Motion offered by Huisman, seconded by Ristau to reject Project 3 Sisters offer to return the 3 Sisters buildings to the City for \$180,000. The motion passed unanimously.

Monthly Senior Center Report

Included in the packet.

Reports from Boards, Commissions, and Committees

Economic Development Authority **Meeting 5.11.23**

Housing and Redevelopment Authority **Meeting 5.8.23**

Library Board **Meeting 5.8.23**

Parks and Recreation Subcommittee **Minutes 2.15.23 & Meeting 5.17.23**

Rural Entrepreneurial Venture Subcommittee **Meeting 5.8.23**

Senior Center **Meeting 5.9.23**

Planning Commission **Meeting 5.4.23**

Motion offered by Walter, seconded by Huisman to approve the reports from Boards and Commissions. The motion passed unanimously.

Old Business

Third Ward Park Renaming – The submissions from all classrooms were included in the packet. Kennedy explained that the Parks Board had voted to narrow the vote to Piano Park and Evergreen Park. The classroom submitting the winning name will receive a prize party from the Parks Board. City Council voted unanimously and selected Piano Park as the new name.

Motion offered by McNerney, seconded by Walter to rename Third Ward Park to Piano Park. The motion passed unanimously.

New Business

Active Living Coalition Proposal – Gary Armon presented a proposal on behalf of the Active Living Coalition. Armon explained that the goal was to create more bike routes to develop a loop around Blue Earth to promote the community’s scenic trails. By extending and enhancing the trail system, Armon believes Blue Earth can become a bigger biking destination, with trails beginning at Giant Park and leading all around town. Active Living would like to establish routes and signs. 20 Bike Share the Road signs have already been purchased with grant funds through SHIP, with plans for future development of a bike app, group rides, and Bike Friendly City Designation. A map was presented showing connections from Giant Park to Unity Trail, Leland Parkway, Downtown, Putnam Park, and the Beltline. A proposal for (21) 12x18 Bike Route signs, (48) Directional Arrows, and (46) 12’ galvanized posts, plus Public Works Department labor totaled \$7,370.00. Councilmember Huisman inquired if Liquor Funds were available for this project. Scholtes informed the Council that this project was not budgeted for in 2023. Kennedy indicated that the Public Works Department would not have time to work on this project until later in the summer or early in the fall. Kennedy recommended Fitness Center Funds be used rather than Liquor Store funds.

Motion offered by Huisman, seconded by McNerney to rename purchase, and install the requested signage, pending securing the necessary funding. The motion passed unanimously.

2023A Resolution 23-10 – Doug Green with BakerTilly informed the council that this resolution was for the annual street improvement project financing. Bonds will be repaid through tax levy, assessments, and water, sewer, and storm funds. Interest rates are higher than previous years but still low. This bond will be processed over the next month with sale results available on June 5, 2023.

Motion offered by Ristau, seconded by McNerney to approve Resolution 23-10 Resolution Providing for the Competitive Negotiated Sale of \$5,025,000 General Obligation Bonds, Series 2023A. The motion passed unanimously.

Resolution 23-09 Declaring Property Surplus – The Fire Department has a four-piece grain bin tube starter kit which has been replaced by an updated practice piece. This equipment should be declared surplus. The Fire Department intends to donate this equipment to Elmore Fire Department.

Motion offered by McNerney seconded by Walter to approve Resolution 23-09 Resolution Declaring Certain Property Excess Property. The motion passed unanimously.

B&B Sanitation Cost Increases – A cost comparison of current and proposed prices for all city dumpsters was included in the packet. Cyphers explained that he has not increased prices since he purchased the business in 2016 and froze prices during the pandemic. At this time, Cyphers is aligning all costs, which is why there is no standard increase. Kennedy indicated that there is no contract with B&B for the dumpsters, so this is informative, and no council action is required. Scholtes noted that the city may need to review City Dumpster Program costs in the future.

Wells Sewer Credit Request – Craig Wells of 424 E 4th Street submitted a sewer forgiveness request due to a leak of a reverse osmosis system that was discovered after one year. Staff determined that the monthly credit average was \$27.67. A one-time credit of \$332.04 was granted to Craig Wells.

Motion offered by Walter seconded by Ristau to approve a one-time sewer forgiveness credit to Craig Wells of 424 E 4th Street. The motion passed unanimously.

Transfer of Funds and Other Budgetary Matters

Investment Schedule included in packet.

Payment of Claims and Approval of Claims and Appropriations

Consideration of Payment of the Bills

Motion offered by Ristau seconded by Walter to approve the bills. The motion passed unanimously.

City Administrator's Report

Payroll Summary included in packet.

No Worksession items for May 17, 2023.

Adjournment

Motion offered by Huisman, seconded by Walter to Adjourn the Council meeting at 6:14pm.