

## MINUTES OF THE MINNEOTA CITY COUNCIL MEETING

PURSUANT TO CALL AND DUE NOTICE THEREOF, THE CITY COUNCIL OF THE CITY OF MINNEOTA, COUNTY OF LYON, STATE OF MINNESOTA, MET IN REGULAR SESSION IN THE CITY COUNCIL CHAMBERS ON MONDAY, SEPTEMBER 11, 2023 AT 6:30 P.M.

**COUNCIL PRESENT:** Mayor John Rolbiecki  
Council Member Travis Gillund  
Council Member Nancy Reisdorfer  
Council Member Amber Rodas

**COUNCIL ABSENT:** Tim Koppien

**STAFF PRESENT:** Shirley Teigland

**OTHERS PRESENT:** Mike Bubany, Riley Rinehart

### **ITEM 1: CALL TO ORDER**

Mayor Rolbiecki called the regular monthly meeting to order at 6:30 p.m.

### **ITEM 2: CALL FOR AGENDA ADDITIONS**

The Administrator asked that the following item be added: \$11,283.59 Extra Check Register.

### **ITEM 3: ADOPT AGENDA**

Rodas motioned, seconded by Gillund to adopt the agenda as amended with the addition listed above. MOTION PASSED UNANIMOUSLY

### **ITEM 4: MEETING MINUTES**

The Council reviewed the prior month Council meeting minutes. With no questions or additional comments Reisdorfer motioned, seconded by Rodas to approve the August 14, 2023 Council meeting minutes. MOTION PASSED UNANIMOUSLY

### **ITEM 5: REPORTS & UPDATES**

The Council reviewed the following reports and had no additional questions or comments: (5a) – 9/5/23 Police report as submitted by Chief Bolt; (5b) - the current Financial Report as submitted by Administrator Teigland; (5c) – Y-T-D Budget; (5d) – 8/1/23 Library Board Minutes

### **ITEM 6: EXPENSES & DISBURSEMENTS**

Reisdorfer motioned, seconded by Rodas to approve the payment of \$36,798.45 (as listed on the check register summary), to approve the payment of \$31,475.34 (as listed on the payroll check register) and to approve the payment of \$11,283.59 in additional bills (as listed on the second check register summary). MOTION PASSED UNANIMOUSLY

### **ITEM 7: CONCERNED CITIZENS**

No comments or requests were received either in person or in writing.

### **ITEM 8: CAPITAL FINANCE PLAN**

The Council met with Mike Bubany, City Financial Advisor to discuss and plan for approximately \$12 million in street and utility improvements over three phases. This represents a significant burden on the City particularly because grant dollars do not appear to be achievable. The City Council discussed and established the following strategy: Raise Water and Sewer rates in 2024 enough to handle Phase 1 only. This requires a 25% increase in all base rates and volumetric rates. The City can possibly wait until 2025 to increase rates, but the projected plan is to begin raising cash quickly to cover pre-project engineering expenses and split Sewer related costs roughly half and half with tax levies (as authorized in Chapter 115 of MN Statutes). While the City intends a 5% levy increase in 2024, the 2025 levy increase will most

likely be approximately 12%. To mitigate tax impacts, the City will plan to reduce its deposit to the Capital Project Fund from \$90,000 in 2024 to \$45,000 in 2025 and beyond. Additional utility rate and tax levy increases will be considered when Phases 2 and 3 occur. The City intends to finance most (or all) of the project costs with State of MN PFA Loans, which provides better than current market rates. Further, the City will request the longest term possible (up to 30 years). The most recent Capital Finance Plan indicates 20-year terms. The impact on a “typical” household for Phase 1 is expected to be between \$50 and \$60 per month by the year 2025 (as compared to 2023). Reisdorfer motioned, seconded by Gillund to have DGR Engineering prepare a contract for Phase 1 of the Infrastructure Project. MOTION PASSED UNANIMOUSLY

**ITEM 9: 2024 PRELIMINARY BUDGET**

The Council reviewed the 2024 Preliminary budget considerations. The preliminary budget projects an increase of \$57,020 or 8.28% in a total property tax levy of \$745,453 for all funds. Reisdorfer motioned, seconded by Rodas to adopt Resolution 23-09 approving the Proposed 2023 Tax Levy collectible in 2024 with the following sums of money levied upon the taxable property in the City of Minnesota for the following purposes: General Fund - \$541,790; Fire Fund - \$82,494; 2012 LPRW 2005 Sewer Imp Bond Fund - \$62,328; 2016A GO Bond Fund - \$36,741; 2018 GO Bond Fund - \$22,100. MOTION PASSED UNANIMOUSLY. The Administrator will evaluate all funds to determine additional modifications and cuts that can be made to the budget prior to the Council certifying a final levy in December.

**ITEM 10: NEW CODE BOOK**

The Council will review the new code book in its entirety and will redline potential changes for additional discussion at the next meeting.

**ITEM 11: SCDP GRANT**

The Council read a letter from the MN Department of Employment and Economic Development stating that the City has been approved for funding in the amount of \$599,265 from the Department of Housing and Urban Development (HUD) for the Minnesota Small Cities Development Program Grant (SCDP).

**ITEM 12: ZONING PERMITS**

Reisdorfer motioned, seconded by Gillund to approve all Zoning Permits as listed below. MOTION PASSED UNANIMOUSLY

- a) Engler, Alyssa – 403 N Jefferson Street – 60’ x 69’ x 6’ Vinyl Fence
- b) Fier, Scott – 110 W 5<sup>th</sup> Street – 12’ x 12’ Deck

**ITEM 13: RESOLUTION 23-10**

Gillund motioned, seconded by Reisdorfer to adopt Resolution 23-10 accepting a donation from Alice Downing for the 1<sup>st</sup> Responders Unit. MOTION PASSED UNANIMOUSLY

**ITEM 14: GRANT OPPORTUNITIES**

Administrator Teigland informed the Council of 3 grants recently applied for: 2023 ReLeaf Community Forestry Grant, HSEM Disaster Funding and MN Department of Education Youth Water Safety Grant. No action was needed by the Council.

**ITEM 15: ADJOURNMENT**

Gillund motioned, seconded by Rodas to adjourn the meeting at 8:10 p.m. MOTION PASSED UNANIMOUSLY

*The next scheduled Regular Council Meeting is scheduled for October 9, 2023 at 6:30 p.m.*

ATTEST:

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Shirley Teigland, City Administrator

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John Rolbiecki, Mayor

Council Approved October 9, 2023