

CITY OF MONTEVIDEO
CITY COUNCIL PROCEEDINGS
September 6, 2022

The city council met in regular session Tuesday, September 6, 2022 in the council chambers at city hall. Acting President Curtiss called the meeting to order at 7:00 P.M. with the Pledge of Allegiance.

Council members present: Steve Sulflow, Beverly Olson, Dan Sanborn and Bryce Curtiss.
Absent: Nathan Schmidt. Mayor Erich Winter present.

Also present were: City Manager Robert Wolfington, City Engineer Mike Amborn, City Attorney Janice Nelson and City Clerk Glennis Lauritsen.

It was moved by Sulflow, seconded by Olson and unanimously passed to approve the agenda, with the following modifications:

MODIFY: 5A) CONSIDER APPROVAL OF VERIFIED CLAIMS FOR THE PERIOD ENDING SEPTEMBER 1, 2022 IN THE AMOUNT OF ~~\$833,662.79~~ \$868,624.25.

The revised list reflects the following additions:

LIQUOR

MN Department of Revenue - Sales Tax \$ 21,907.00

MISCELLANEOUS

Farmer's Union Oil Company - Gas, Diesel, etc. 13,054.46

MODIFY: 9A) DISCUSSION - 2023 BUDGET.

Narrative information provided.

ADD: 9B) CLOSED SESSION TO DISCUSS REAL ESTATE TRANSACTION.

A portion of this discussion may be closed in accordance with Minnesota State Statute 13D.05, Subd. 3, for the purpose of discussing a real estate transaction.

It was moved by Sanborn, seconded by Sulflow and unanimously passed to approve the minutes of the Budget Worksessions of August 8 and August 10, 2022 and the Regular Meeting of August 15, 2022, as presented.

4. Notices/Communications/Announcements or Appearance of Interested Citizens.

- None.

5. Consent Agenda.

It was moved by Sanborn, seconded by Olson and unanimously passed to approve the following consent agenda items:

5(A) VERIFIED CLAIMS FOR THE PERIOD ENDING SEPTEMBER 1, 2022 IN THE (MODIFIED) AMOUNT OF \$873,709.25.

5(B) SALE OF SEIZED/SURPLUS ITEMS BY THE POLICE DEPARTMENT (2003 JEEP LIBERTY | 2007 FORD FOCUS | 2007 PONTIAC G6 | 1997 TOYOTA COROLLA).

5(C) USE OF CITY-OWNED VACANT LOT ACROSS FROM BENSON ROAD BY THE REFUGE CHURCH FOR ITS "FAMILY FUN NIGHT" ON SUNDAY, SEPTEMBER 18, 2022, 3:00-6:00 P.M.

5(D) USE OF CITY STREETS BY THE MONTEVIDEO HIGH SCHOOL HOMECOMING COMMITTEE, FOR THE ANNUAL HOMECOMING PARADE ON FRIDAY, SEPTEMBER 30, 2022, BEGINNING AT 4:45 P.M.

5(E) USE OF OPEN AREA IN SMITH PARK BY THE CHIPPEWA COUNTY DFL FOR A SIGN DISTRIBUTION EVENT ON THURSDAY, SEPTEMBER 8, 2022, 4:00-7:00 P.M.

6. Public Hearings.

- None.

7. General Business.

7(A) NUISANCE ABATEMENT AT 105 SOUTH 3RD STREET.

Staff reported that notices had been sent to the property owner of 105 South 3rd Street on June 9, July 7 and July 17, 2022 concerning nuisance items that needed to be abated, specifically referring to old carpets and other building remodeling materials present on the property. Each letter asked that the property owner clean-up/remove the materials. No action was taken by the property owner to correct the deficiencies. Therefore, a resolution was prepared which gives the property owner until October 5, 2022 to abate the nuisance and/or address the city council at its September 19th meeting.

DAN SANBORN OFFERED RESOLUTION NO. 3801, A RESOLUTION DIRECTING ABATEMENT OF NUISANCE, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3801 WAS SECONDED BY STEVE SULFLOW. THOSE VOTING IN FAVOR OF MOTION: DAN SANBORN, STEVE SULFLOW, BEVERLY OLSON AND BRYCE CURTISS. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 4-0.

7(B) NUISANCE ABATEMENT AT 569 GRAVEL ROAD.

Staff reported that notices had been sent to the property owner of 569 Gravel Road on June 9, July 7 and July 17, 2022 concerning nuisance items that needed to be abated, specifically referring to inoperable vehicles and the accumulation of miscellaneous junk/debris/trash present on the property. Each letter asked that the property owner clean-up/remove the materials. No action was taken by the property owner to correct the deficiencies. Therefore, a resolution was prepared which gives the property owner until October 5, 2022 to abate the nuisance and/or address the city council at its September 19th meeting.

STEVE SULFLOW OFFERED RESOLUTION NO. 3802, A RESOLUTION DIRECTING ABATEMENT OF NUISANCE, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3802 WAS SECONDED BY BEVERLY OLSON. THOSE VOTING IN FAVOR OF MOTION: STEVE SULFLOW, BEVERLY OLSON, DAN SANBORN AND BRYCE CURTISS. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 4-0.

7(C) NUISANCE ABATEMENT AT 319 NORTH 9TH STREET.

Staff reported that notices had been sent to the property owner of 319 North 9th Street on June 9, July 7 and July 18, 2022 concerning nuisance items that needed to be abated, specifically referring to inoperable vehicles and the accumulation of miscellaneous junk/debris/trash present on the property. Each letter asked that the property owner clean-up/remove the materials. No action was taken by the property owner to correct the deficiencies. Therefore, a resolution was prepared which gives the property owner until October 5, 2022 to abate the nuisance and/or address the city council at its September 19th meeting.

DAN SANBORN OFFERED RESOLUTION NO. 3803, A RESOLUTION DIRECTING ABATEMENT OF NUISANCE, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3803 WAS SECONDED BY STEVE SULFLOW. THOSE VOTING IN FAVOR OF MOTION: DAN SANBORN, STEVE SULFLOW, BEVERLY OLSON AND BRYCE CURTIS. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 4-0.

7(D) ACTING CITY MANAGER/ACTING CITY CLERK DESIGNATION.

Due to staffing changes, a new resolution was drafted to designate an acting city manager and acting city clerk for the remainder of Calendar Year 2022.

DAN SANBORN OFFERED RESOLUTION NO. 3804, A RESOLUTION PROVIDING FOR AN ACTING CITY MANAGER (GLENNIS LAURITSEN) AND ACTING CITY CLERK (DIANNE ANDERSON) WHEN SUCH MAY BE REQUIRED, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3804 WAS SECONDED BY BEVERLY OLSON. THOSE VOTING IN FAVOR OF MOTION: DAN SANBORN, BEVERLY OLSON, STEVE SULFLOW AND BRYCE CURTISS. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 4-0.

7(E) STORM WATER DAMAGE - THE GALLERY ON FIRST.

As a part of the March 7, 2022 meeting, Bob Christensen had appeared before the city council to request reimbursement for costs associated with damage to his building due to storm water. Christensen contended that because the city did not repair a potentially damaged storm water line, water entered his basement and caused roughly \$16,668.20 in damage and lost inventory. A claim had been submitted to the city's insurance carrier,

the League of Minnesota Cities, and was subsequently denied. According to the League, the city could not be held responsible because the high cost of replacing the storm sewer would be extreme and would take time to develop funding. Christensen has asked the city to reimburse him for the costs the LMC would not pay. Mr. Christensen was present for the discussion and handed out additional written information for the council's consideration.

Staff stated that Great Plains has a natural gas line in the general area of where the water was getting into the building. A crew was brought in the week of August 29th and vacuumed material out to the natural gas line. That process revealed that the gas line did not appear to interact with the storm water line. It was further explained that efforts were made to televise the line; however, the equipment was unable to completely get through the line. It was noted that this segment of storm water line is a small segment of a bigger problem. Staff is actively working to fix that problem, and the city engineer is working on a proposal for consideration by the council at a later date.

Christensen conveyed his frustration with the League of Minnesota Cities, stating that he felt the claim should have been covered by the city's insurance. Council members concurred with Christensen. Members also voiced their concern over a settlement with Christensen, stating that it could create a precedent for other claims against the city in the future.

Following discussion, it was moved by Sanborn, seconded by Olson and unanimously passed to direct city staff to contact the League of Minnesota Cities to convey that the city is not satisfied with the claim denial, to request that the insurance claim be re-opened and be reassigned to a different adjuster.

7(F) ELECTION JUDGES FOR GENERAL ELECTION.

DAN SANBORN OFFERED RESOLUTION NO. 3805, A RESOLUTION DESIGNATING ELECTION JUDGES FOR THE 2022 GENERAL ELECTION, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3805 WAS SECONDED BY STEVE SULFLOW. THOSE VOTING IN FAVOR OF MOTION: DAN SANBORN, STEVE SULFLOW, BEVERLY OLSON AND BRYCE CURTISS. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 4-0.

7(G) EDA APPOINTMENTS.

Due to two recent resignations on the Montevideo Economic Development Authority (EDA), Mayor Winter appointed individuals to fill the unexpired terms, as follows:

- Goering Coffey, term expiring December 31, 2023
- Michael Groothuis, term expiring December 31, 2025

It was moved by Sulflow, seconded by Olson and unanimously passed to ratify the mayoral appointments, as indicated.

7(H) DNR FUNDING REQUEST - LEVEE PHASE III PROJECT.

The Army Corps of Engineers submitted a request for additional funds needed in the amount of \$250,000 for Phase 3B of the levee project. Due to the added distance for hauling material from a new site, and associated labor for ongoing construction oversight, a change to the contract with the contractor is needed, increasing the overall cost of the project. Staff stated that funds from the previous DNR Grant would cover this request.

Council members voiced their concern and frustration over the cost and duration of the levee project and asked that staff convey that to the Army Corps of Engineers. Staff indicated that they shared in that concern and frustration. City Manager Wolfington Staff stated that it is believed that the project will be complete yet this fall.

It was moved by Sanborn, seconded by Olson and unanimously passed to approve the request, as submitted.

8. Ordinances.

8(A) ADOPTION OF ORDINANCE NO. 972 (BREWER LICENSING).

Ordinance No. 972 was introduced by the council at its August 1st meeting. The proposed ordinance adds reference to the new MN State Statute, amends the amount of malt liquor sold at off-sale by a small brewer annually and adds new language for off-sale packaging requirements for certain small brewers.

IT WAS MOVED BY BEVERLY OLSON THAT ORDINANCE NO. 972, AN ORDINANCE AMENDING SECTION 2B3 AND ADDING A SECTION 2B5 OF

CHAPTER 2F OF TITLE 2 OF THE MONTEVIDEO CITY CODE, BREWER LICENSING, BE ADOPTED. MOTION FOR ADOPTION OF ORDINANCE NO. 972 WAS SECONDED BY STEVE SULFLOW. THOSE VOTING IN FAVOR OF MOTION: BEVERLY OLSON, STEVE SULFLOW, DAN SANBORN AND BRYCE CURTISS. THOSE VOTING AGAINST MOTION: NONE. ORDINANCE PASSED 4-0.

8(B) ADOPTION OF ORDINANCE 973 (MAYOR & COUNCIL COMPENSATION.)

Ordinance No. 973 was introduced by the council at its August 15th meeting. The proposed ordinance increases the compensation of the mayor and council from \$6,845.28/year to \$7,187.54/year, effective January 1, 2023.

IT WAS MOVED BY DAN SANBORN THAT ORDINANCE NO. 973, AN ORDINANCE AMENDING CHAPTER 5, TITLE OF THE MONTEVIDEO CITY CODE ENTITLED, "COMPENSATION OF MAYOR & COUNCIL MEMBERS," BE ADOPTED. MOTION FOR ADOPTION OF ORDINANCE NO. 973 WAS SECONDED BY BEVERLY OLSON. THOSE VOTING IN FAVOR OF MOTION: DAN SANBORN, BEVERLY OLSON, STEVE SULFLOW AND BRYCE CURTISS. THOSE VOTING AGAINST MOTION: NONE. ORDINANCE PASSED 4-0.

8(C) ADOPTION OF ORDINANCE NO. 974 (CANNABINOID EDIBLES MORATORIUM.)

Ordinance No. 974 was introduced by the council at its August 15th meeting. The proposed ordinance would place a moratorium to regulate the sale of edible cannabinoid products within the community and to give the city an opportunity to review and implement zoning regulations. The moratorium cannot exceed a one year time period. It was the consensus of the council that the moratorium remain in effect until September 6, 2023. City Attorney Nelson noted that an emergency ordinance requires no publication and, therefore, would take effect immediately from and after its passage.

IT WAS MOVED BY DAN SANBORN THAT ORDINANCE NO. 974, AN EMERGENCY INTERIM ORDINANCE PLACING A ONE-YEAR MORATORIUM ON THE SALE AND REGULATION OF HEMP-DERIVED CANNABINOID EDIBLES, BE ADOPTED. MOTION FOR ADOPTION OF ORDINANCE NO. 974 WAS SECONDED BY STEVE SULFLOW. THOSE VOTING IN FAVOR OF MOTION: DAN SANBORN, STEVE SULFLOW, BEVERLY OLSON AND BRYCE CURTISS. THOSE VOTING AGAINST MOTION: NONE. ORDINANCE PASSED 4-0.

9. Discussion and Miscellaneous.

9(A) DISCUSSION - 2023 BUDGET.

In accordance with City Charter Section 7.06 - Passage Of The Budget - “The budget shall be the principal item of business at the first regular monthly meeting of the council in September...” City Manager Wolfington provided information on the proposed 2023 Budget and levy. The proposed budget for all funds has total revenues of \$15,293,128 and total expenditures of \$14,581,368. The levy for 2023 is proposed to increase by \$312,750, which is an 11.73% change. The levy will increase to \$2,978,150 and is incorporated into the revenue budgets for 2023. Wolfington indicated that resolutions adopting the preliminary 2023 Budget and 2023 preliminary tax levy would be presented at the September 19th council meeting for review and consideration.

Prior to moving into Closed Session to discuss a real estate transaction, the council was polled for additional items.

- City Engineer Amborn provided an update on the 2022 Improvement Project, noting that work is finishing up on the Eichelberger/4th/6th Street portions of the project, and the contractor began milling in the Ashmore Avenue/24th Street area this week.
- Council member Sanborn asked that staff take a look at the property at 422 South 8th Street to address a nuisance issue due to the accumulation of miscellaneous junk/debris on the property. He also asked that the condition of the rear of the property at 209 North 1st Street be reviewed and addressed as well. Sanborn noted that signs placed in city rights-of-way continue to be a problem, including contractor signage and real estate signs. City staff informed the council that staff has removed a good number of these signs and will continue to do so.
- Council member Olson asked the city engineer about a grading/elevation issue at the corner of North 4th Street & Eichelberger Avenue. City Engineer Amborn explained that this is related to the improvement project and will be restored by the contractor at no cost to the property owner(s).
- Mayor Winter asked about the status of the fire damaged property at 221 North 8th Street. Staff stated that a demolition permit had been obtained this week, so this property will soon be demolished.

- Mayor Winter stated that applications will be taken starting September 15th for beds at the new veterans home and encouraged Montevideo residents to make application for their family member(s) as soon as possible. The space will be rented on a first come/first served basis.
- City Manager Wolfington informed the council that the county road adjacent to Southtown Plaza will be sealcoated sometime during the week of September 12th.

At 8:03 P.M., a brief recess was taken while members of the audience left the council chambers.

9(B) CLOSED SESSION - REAL ESTATE TRANSACTION.

At 8:05 P.M., the council moved into closed session to discuss a real estate transaction involving a parcel of land located along the east side of T.H. 29/Benson Road known as (70-808-2305). In attendance were council members Curtiss, Sanborn, Olson and Sulflow, Mayor Winter, City Manager Wolfington, City Clerk Lauritsen and City Attorney Nelson. The entire closed session was recorded on a flash drive which will be kept in accordance with the city's adopted records retention schedule, after which time the media will be destroyed.

The closed session ended at 8:19 P.M. and the council moved back into regular session.

It was the consensus of the council that staff continue to work on options for the property.

Meeting adjourned at 8:19 P.M.

Glennis A. Lauritsen, Secretary

Approved by council September 19, 2022.

President - City Council