

**CITY OF EAGLE LAKE
CITY COUNCIL MEETING
MARCH 7, 2022**

CALL TO ORDER

- Mayor Auringer called the meeting to order at 6:00 p.m.

ROLL CALL

- Council Members present: Beth Rohrich, Anthony White, John Whittington, and Mayor Tim Auringer.
- Staff present: City Administrator Jennifer Bromeland, Police Chief John Kopp, Public Works Director Brian Goettl, Fire Chief Vern Simpson, and Deputy Clerk Kerry Rausch.

PUBLIC COMMENTS

- None.

APPROVAL OF THE AGENDA

- Council Member White moved, seconded by Council Member Rohrich, to approve the agenda. The motion carried with Council Members Rohrich, White, Whittington, and Mayor Auringer voting in favor.

APPROVAL OF MEETING MINUTES

- Page three of the February 16, 2022 needs to be amended as to who moved and seconded to adjourn meeting.
- Council Member Whittington moved, seconded by Council Member Rohrich, to approve the February 7, 2022 and February 16, 2022 City Council meeting minutes as amended. The motion carried with Council Members Rohrich, White, Whittington, and Mayor Auringer voting in favor.

CONSENT AGENDA

- Mayor Auringer pointed out the consent agenda includes a resolution appointing Tony Dickmeyer to the EDA Board.
- Council Member White moved, seconded by Council Member Rohrich, to approve the consent agenda.

Monthly Bills	Treasurer's Report	Police Report
Fire Report	Public Works Report	Building & Zoning Permits
Gambling Report		
Resolution 2022-12 Establish Present and Polling Place		
Resolution 2022-13 Accepting Music on Parkway Donation		
Resolution 2022-14 Appoint Tony Dickmeyer to EDA		
- The motion carried with Council Members Rohrich, White, Whittington, and Mayor Auringer voting in favor.

PRESENTATIONS

1. Angela DeMartini, Owner of Bella's House of Doodles: Updated Business Plan
 - Administrator Bromeland stated that an updated business plan for Bella's House of Doodles was included in the City Council packet and that Mrs. DeMartini is present at the meeting to answer any questions.
 - For purposes of providing background, Administrator Bromeland explained that Mrs. DeMartini was asked to attend the January 19th City Council meeting so that the City Council could review the Conditional Use Permit (CUP) for 107 598th Avenue and determine whether alleged violations warranted its revocation

and/or whether an extension of the expired agreement to temporarily operate the business out of the secondary building was appropriate to continue so long as certain conditions were met. One of the items required was an updated business plan to accurately reflect the use of each building as well as give a clearer picture of the overall scope of the business. The Council packet included copies of letters sent to Mrs. DeMartini on January 5th and January 26th.

- Administrator Bromeland stated that included in the updated business plan is a reference to add a loft or second floor in the tall building. The City's Building Inspector advises that plans are needed with a code analysis from an architect with changes that are being proposed. The analysis should address all buildings on the property. The need for a code analysis from an architect has been conveyed to Mrs. DeMartini. To date, a zoning application for a fence has been received. It was explained to the applicant that to place the fence directly on the property line, a notarized agreement from affected property owners is needed. The fence permit was subsequently rescinded. A site plan has been submitted for the parking lot showing 10 parking stalls including one handicapped accessible stall. The total number of parking stalls required will be dependent upon the use of the buildings and code requirements. An application for a dog run has been submitted. Lot coverage requirements will need to be reviewed. An application for the ancillary building that was placed without a building permit being secured first has also been received. It is not possible to process this application until it is determined if there are any requirements in state building code requiring a certain distance of separation between the building to the east. The City's building inspector will make this determination based on use of buildings and code requirements.
 - Mr. Rick DeMartini stated the second floor of the tall building is for future planning potentially 2-3 years in the future and would be made of engineered steel. It's purpose would be for storage and a play area for dogs. As of today, the HVAC system is 98% complete, needing a gas line in the primary building, the air conditioning is not installed and the floors are being epoxied.
 - Mayor Auringer explained that the use of the tall building has changed and the addition of a second floor may change the use again. The concern lies with the heating system being compliant with code for the current and possible future use. He also stated that the building official needs to review documentation which the DeMartini's need to provide him.
 - Council discussion included the maximum number of dogs allowed on site at any given time. The City's attorney, Chris Kennedy, explained that puppies under a certain age are not counted in the maximum capacity of dogs. The DeMartini's clarified stating, including their own dogs, the maximum number of dogs on the premise will be capped at 45 and that they will not expand the business to allow for more than 45 dogs.
 - The next steps the DeMartini's need to take are to meet with the City's building inspector and have all buildings reviewed with future uses considered, City staff need to receive said results of building review, schedule a public hearing at the April 4th City Council meeting, and hold a public hearing at the May 2nd City Council meeting to modify the CUP.
 - Discussion included that once the certificate of occupancy is issued that it would be acceptable for the DeMartini's to start using the primary building's office and to house puppies, all other operations will need to wait.
2. Steve Mohr with MetroNet: Utility Easement for Cabinet
- Steve Mohr with MetroNet stated that they are asking for an easement to install a fiber cabinet near the water tower. This cabinet is needed to feed service to Eagle Lake.
 - City Attorney, Chris Kennedy, stated the following concerns with the draft agreement: 1) the easement is freely assignable meaning that MetroNet and other future parties would be able to transfer their interest without notifying the City; 2) the right of way is perpetual; 3) there is no language that would allow the City to terminate the easement; and 4) ensuring the ballard posts are located within the easement and not outside

of it. Included in the updated draft is language stating that if MetroNet stops using the site, the location would revert back to original state and revert back to the City.

- Mr. Mohr stated that the beige metal cabinet will be 5 feet tall, and that rock could be placed around it for easier maintenance, no fence would be installed. He also stated the hope is that ariel work can start the beginning of May and all work would be completed and service ready for customers use by the end of July. Residents interested in MetroNets service can sign up online now and will be added to their build out list.
- Council Member Whittington moved, seconded by Council Member Rohrich, to approve Resolution 2022-15 authorizing the issuance of a utility easement and right-of-way to MetroNet. The motion carried with Council Members Rohrich, White, Whittington, and Mayor Auringer voting in favor.

3. Vern Simpson, Fire Chief: Proposal for Air Packs for Truck 4311

- Chief Simpson explained that pumper truck 4311 has been listed for sale for \$40,000 with no interest shown to date. He stated the truck could be used as a blocker truck and a spare vehicle for mutual aid calls. There is room in the station to house the truck. In order to keep the truck NFPA compliant air packs for each seat need to be on the truck. South Central College's fire school is closing and they are selling air packs. Eagle Lake would be able to purchase six used self-contained breathing apparatus packs with 12 bottles for \$9,000.
- Chief Simpson also stated that there will be approximately an additional \$5,000 worth of purchases, such as hoses and a ladder, needed to keep this vehicle in use, but those purchases could be budged for in the next year or two. He also stated that the planned purchase of a side-by-side this year will not take place.
- This purchase was not a planned 2022 budged expenditure. To date, \$21,700 of the \$59,370 allocated funds for capital outlay for 2022 has been expended, leaving a balance of \$37,670.
- Council Member Rohrich moved, seconded by Council Member White, authorizing the fire department to purchase 6 air packs and 12 bottles for \$9,000. The motion carried with Council Members Rohrich, White, Whittington, and Mayor Auringer voting in favor.

PUBLIC HEARING

- None

OLD BUSINESS

1. Spring Clean Up

- Administrator Bromeland explained that at the February 7th meeting discussion took place regarding spring cleanup and Council directed staff to explore options available for a curbside cleanup through alternate haulers. Since that time, City staff has reached out to Waste Management and Hansen Sanitary. City staff was able to confirm that Waste Management would conduct a cleanup via a centralized drop off location, same as what LJP Waste Solutions is offering, but was unable to find out if curbside collection was even an option. Hansen Sanitary out of Kasota will not do a curbside collection for a spring cleanup.
- LJP notified the City that curbside pickup will not be an option this year for the spring cleanup due to labor shortages and not having enough drivers to work an extra Saturday. LJP Waste Solutions is proposing a drop off site on Saturday, May 14th from 8:00 a.m. to Noon. In the past, the drop off site has been the parking lot at Lake Eagle Park for the fall cleanup.
- Council consensus was to schedule the spring cleanup as a drop off collection event for Saturday, May 14, 2022.

NEW BUSINESS

1. Communications System Right of Way and Easement

- See Presentations.

2. Departmental Expenditure Request for Air Packs for Fire Truck 4311
 - See Presentations.
3. Resolution No. 2022-15: Resolution Calling for Public Hearing on Proposed Creation of Municipal Development District No. 3 and Tax Increment Financing District No. 3-2
 - Administrator Bromeland explained that as part of the Tax Increment Financing (TIF) process, the Planning Commission will be asked to consider a resolution at their March 21st meeting in which a finding will be made if the TIF District/Development District is consistent with the development goals of the City and plans for future growth. This is the only action required for the TIF process in March.
 - Administrator Bromeland provided background explaining that Troy Schrom with Schrom Construction is proposing a 104-unit multi-family housing project in Eagle Lake. The proposed project would include parcel R12.10.48.400.013 (38.7 acres of ag land located within Eagle Lake city limits). Included with the overall proposed housing development would be parcel R39.10.18.400.005 (40 acres of ag land located in LeRay Township). The part of the development for which TIF would be sought is currently located entirely within city limits. Phase 1 would include 56 units – (28) 3-bedroom units and (28) 2-bedroom units. Phase 2 would consist of 48 units – (24) 3-bedroom units and (24) 2-bedroom units. Shannon Sweeney, a professional tax increment financing (TIF) consultant with David Drown Associates, is assisting the City with the TIF process.
 - Administrator Bromeland stated that Mr. Sweeny is willing to come talk to the Council at a special meeting to explain TIF in more detail. His schedule would work best for a noon meeting.
 - Administrator Bromeland explained the TIF project would assume a tax capacity rate for a market rate project and the actual duration for a potential subsidy would likely be less than the full duration provided for in statute. The developer would be required to make units available to people of specific income levels if TIF were approved – 20% of units made available to families at 50% of the area median income or 40% of the units made available to families at 60% of the area median income. Mr. Schrom has indicated that the proposed development will not occur but-for the use of TIF. He is requesting a 13-year term for TIF assistance. Per MN Statute, up to a 26-year term could be approved. TIF is a method of stimulating economic development. It uses additional property taxes paid because of the new development to pay for the development. As the property increases because of the new development, the increases above the original tax capacity are captured. The taxes paid on the captured value are called increments. The result of a TIF project is an increased tax base that benefits all local taxing jurisdictions. Mr. Schrom currently has TIF agreements with the cities of Belle Plaine, Jordan, and Northfield. City staff has reached out to community and economic development staff with these cities to learn about the length and other business subsidy terms they have with Schrom Construction.
 - Before Council is a resolution calling for a public hearing to authorize a TIF development and tax increment financing.
 - Council discussion included if the rental cost would change for income qualified tenants, that TIF would not be used for the entire project, only the 104 units in phase 1 and phase 2.
 - Administrator Bromeland stated this project is complex and may warrant hiring an outside consultant to assist City staff with re-zoning and appropriate classification based on proposed use in different areas within the development. The developer needs to complete the wetland delineation process and will be required to complete any required environmental review such as an EAW.
 - Council Member Rohrich moved, seconded by Council Member Whittington, adopt Resolution 2022-15 Creating a Tax Increment Financing District Number 3-2 and the adoption of the Tax Increment Financing Plan. The motion carried with Council Members Rohrich, White, Whittington, and Mayor Auringer voting in favor.

4. Motorsports Park Project

- Administrator Bromeland explained that a Supplemental Environmental Assessment Worksheet (EAW) has been received from Bradford Development for the Mankato Motorsports Park Project. City staff is currently in the process of seeking proposals from consultant to complete a Third-Party Review. Staff expressed that the developer has not offered to pay for the supplemental EAW, whereas the developer paid for the initial 3rd party review on the original EAW.
- Administrator Bromeland provided background history of this project stating that Bradford Development previously prepared a mandatory EAW for the proposed Mankato Motorsports Park Project located within the City of Eagle Lake. The purpose of the EAW was to identify any potential environmental impacts resulting from the project and determine if an environmental impact statement (EIS) was warranted. A third-party review was completed by Houston Engineering and paid for by Bradford Development at a cost of \$14,000. Following the City's determination that an EIS was not warranted, an appeal was filed by a group called CAMP "Citizens Against Motorsports Park, Michael Guentzel and Erin Guentzel". The matter was heard in the State of Minnesota Court of Appeals with the Court of Appeals reversing and remanding a new EIS determination on two issues – impacts to wildlife and climate change.
- Administrator Bromeland explained that the supplemental EAW focuses on the two narrow issues requiring further environmental review. This is not an opportunity to go back and revisit all the other items included in the original EAW. Upon City Council's authorization to contract with a party to conduct the third-party review and the review is completed, the document will be presented to the City Council as the RGU to review and determine if the supplemental EAW is complete for distribution or if more information is needed. Once determined complete, the supplemental EAW will be submitted to the EQB and the process for notification and publication is started. This includes a review by the agencies listed in Minnesota Rules 4410.1500 as well as a public comment period.
- Mike Guentzel, 22083 604th Avenue, asked Council to consider not using the same third-party review if the only reason to do so is that their bid comes in as the low bid. The City's attorney, Chris Kennedy, explained that per Minnesota statute the city must accept the lowest responsible bid.
- As bids are received Council can assess if a special meeting will be needed to accept a bid.
- Council Member White moved, seconded by Council Member Rohrich, authorizing staff to receive estimates from third-party reviewers and to contact the developer to determine who will pay for the review. The motion carried with Council Members Rohrich, White, Whittington, and Mayor Auringer voting in favor.
- Administrator Bromeland stated that she will email Mike Guentzel a copy of the EAW.
- Mayor Auringer stated that there will be a public hearing in the future in which public comments will be heard and that the court says that only the two items needing to be reviewed in the EAW are the noise impact to wildlife and climate change, not the entire document. When asked by Mr. Guentzel why the City just doesn't do an EIS, Mayor Auringer stated that EIS's are not typically done, unless determined necessary.

5. Mosquito Control Agreement with Clarke Environmental Mosquito Management

- Administrator Bromeland stated that in the Council packet is a proposal from an Environmental Mosquito Management (EMM) Program. There are two options. One option consists of 9 bi-weekly treatments at \$685 per treatment, and the other option consists of 15 weekly treatments at \$619.50 per treatment. In 2021, the City contracted for 9 bi-weekly treatments and 1 mile of extra spray for parks and trails at a cost of \$379.800 per treatment. The cost for the EMM program is budgeted and paid for out of budget line item, parks-professional services and funds have been allocated for this purpose.
- Council discussion included that treatment dates may be changed if weather conditions dictate doing so. The number of treatments have never been reduced, but could possibly be added at Council's request. The company will work around community events and they do spray at both Lake Eagle Park and Frazee Park.

- Nicole Davros, 101 Valley Lane, addressed Council stating there are better options that are more target specific. She suggested the City explore other options including a little fogging and add a larvicide as well. She stated that she understands this may not be possible to incorporate other treatment options for 2022, but could possibly incorporate in 2023.
- Council Member White moved, seconded by Council Member Whittington, to authorize 9 bi-weekly mosquito control treatments. The motion carried with Council Members Rohrich, White, Whittington, and Mayor Auringer voting in favor.

OTHER

1. Open Book Meeting Notice

- The Open Book meeting for Eagle Lake will be held at the Blue Earth County Property and Environmental Resource Offices at 9:00 a.m., Monday through Friday, April 18-22, 2022. The purpose of this meeting is to determine whether property in the jurisdiction has been property valued and classified by the assessor.

2. Summary of Performance Evaluation as Required by MN Statutes 13D.05, Subd. 3

- Administrator Bromeland explained that a closed session was held at the February 7, 2022 City Council meeting for the purpose of completing the annual performance evaluation of the city administrator. The meeting was closed as permitted by statute. Given the city administrator position is under the direction of the City Council, the evaluation was held at a public meeting. At its next open meeting, the public body shall summarize its conclusion regarding the evaluation.
- There were 5 rating factors and 19 elements used. The City Administrator, Jennifer Bromeland, received a rating of “meeting standards or exceeding standards” for all the rating factors and elements. Comments included “the need to provide ongoing leadership to senior staff by setting clear expectations to achieve departmental goals, continue displaying a positive attitude and outlook, continue building confidence in decision making, continue displaying a willingness to take on new projects and work, and overall pleased with performance in a variety of areas.

3. Blue Earth County Fair Sponsor Request Letter

- Administrator Bromeland explained that a request has been received asking for Blue Earth County Fair sponsorships. This is a non-budgeted request.
- Council discussion included that this is not something they are uncertain is an allowable public expenditure.

CITY ADMINISTRATOR REPORT

1. Update on Microphone Order and Installation

- Video Services emailed stating they are waiting on one more piece of equipment, the expander, to be able to install the microphones. The manufacturer estimates 14 weeks on the order. In the short term, everyone using the old microphones needs to remember to speak directly into the microphone.

2. Music on Parkway, Series #2 – Status of Funding and Planning

- A request for funding was submitted to the American Legion Post 617 Gambling Fund. A donation in the amount of \$5,000 was received. In total, there is a budget of \$10,000 to work with for the Music on Parkway series this summer. The planning committee will meet next week to continue planning work. Once the schedule has been determined, it will be communicated to the public.

3. Highway 14/CR56 Construction Update

- Ann Wolfe with MnDot was planning to attend this evening’s meeting to present staging maps but has informed staff that they are a couple months behind and will instead attend an upcoming meeting.

4. Recap of Recent CGMC Legislative Action Day and Recent Communication with Legislators about Water Improvements Needed in Eagle Lake
 - A Zoom call was held with local legislators to discuss Eagle Lake's water treatment needs. Both legislators expressed their support for Eagle Lake's project and asked for updated numbers on planning and design so that legislation could be drafted and considered during the bonding session.
 - Top legislative policies for 2022, which are important to Eagle Lake, include changes to the Local Government Aid (LGA) formula which could increase Eagle Lake's aid, EDA programs, childcare, housing and environmental.
5. Utility Extension Project for 800 and 804 Parkway Avenue
 - A meeting was recently held with the property owners of 800 and 804 Parkway Avenue to discuss the utility easement needed to be able to extend sewer and water. Letters were sent to the two properties to the west of 800 Parkway Avenue notifying of the possibility of extending utilities contingent upon annexation. One of the property owners has responded and requested a meeting to learn more about what is involved with extending utilities and possible annexation. The property owner is not committing to anything, and this will just be an informational meeting to make them aware of options related to connecting to City utilities.
6. Status of Agency Street Lighting
 - Per an update from Xcel Energy, a new light was installed on the north end of the project but the mast arms for the other 9 lights on the existing poles are on back order until mid-June.
7. Upcoming Free EAB Outdoor Field Workshop
 - A free outdoor Emerald Ash Bore (EAB) field workshop will be held in St. Clair. The public works department will be sending two employees to attend this workshop and the City Administrator is planning to attend as well. Minnesota Department of Agriculture staff will be leading free EAB field workshops at several locations around the state with the closest being St. Clair. These hour-long outdoor workshops will provide an opportunity to get a firsthand look at EAB-infested trees and will assist in becoming familiar with early detection. Workshops are provided free of charge through support from the US Forest Service and the Environment and Natural Resources Trust Fund.
8. Planning and Zoning Related Work
 - An overview of current planning and zoning work items was reviewed as it may be more efficient to consider contracting with a consultant for assistance as it relates to specific work items in unique situations where significant staff time and expertise is required for more complex planning and zoning issues.
9. MAPO Pedestrian Connectivity Study
 - Mayor Auringer asked about the status of the MAPO Pedestrian Study. This is anticipated to be completed this summer. There is nothing the City needs to do at this time.
10. Strategic Plan-SMIF Grant
 - A public engagement component will be included.

COUNCIL REPORTS

1. Mayor Auringer stated with the increase of inflation he would ask that staff look for ways to control costs and attempt to reduce fuel costs. If there are items that need to be purchased, to consider purchasing early as prices may increase.
2. Mayor Auringer stated the employee cost of living adjustments will need to be looked at and determine how to handle and what is an appropriate level of an increase.

ADJOURNMENT

- Council Member White moved, seconded by Council Member Rohrich, moved to adjourn the meeting at 8:02 p.m. The motion carried with Council Members Rohrich, White, Whittington, and Mayor Auringer voting in favor.

Tim Auringer, Mayor

Kerry Rausch, Deputy Clerk