**City of LeRoy MN – Council Meeting Minutes, February 7, 2022**

A regular meeting of the LeRoy City Council was called to order by Mayor Ed Koppen on Monday, February 7, 2022, at 6:30 PM at the LeRoy Community Center with the following members present: Mayor Ed Koppen, Council Members Ashley Huntley, Harold Shipman, Gerald Payne, Brian Thiel, Maintenance Employee Nick Sweeney, and City Clerk Patty White.   
Also attending: Axel Gumbel, Kathleen Gottschalk, Kristen & Cole Wilcox, Dick Soltau, Bryan Bucknell, Rod & Shirley Miller, Jim & Anne Middleton, Neil & Wendy Vikre, Pat Newman, Dave & Kathy Farlinger, Barry Reburn, Cletus & Arlene Bastian, Paul Yoch, Keith Winkels, City Engineer Brian Johnson, and Point of Beginnings, Inc. representative Jim Lundberg. All present stood for the Pledge of Allegiance. Following the Pledge of Allegiance, a moment of silence was held in memory of long-time city employee John Jones.

Consent Agenda:

* Council reviewed the items included in the consent agenda. Some questions were posed on some of the bills. Motion by Huntley, second by Shipman to approve the consent agenda. Motion carried 5-0.

Police Report:

* There was no police report due to the absence of the assigned deputy.

Public Input Time:

* Jim Middleton read a prepared statement about the Dollar General land use permit. Mr. Middleton spoke on big box stores and the problems these stores can bring; he also noted the potential negative effects this type of store can have on the local economy.
* Barry Reburn concurred with Mr. Middleton’s statements.
* None of the other people present brought anything forth during public input time.

Standing Committee Reports:

* Shipman reported Prairie Visions did not meet. He noted the Iron Horse Marathon will begin here in LeRoy; this marathon is scheduled for Saturday, May 7.

State Highway 56 Project:

* City Engineer Brian Johnson presented temporary easement consultant proposals. He reported MnDOT did a walk-through of the project with an arborist; they noted an issue with eight parcels that are considered city parcels. Mr. Johnson reported it was the initial understanding that MnDOT would handle the temporary easements through a joint powers agreement; now Mr. Johnson has been told that this is not possible through MnDOT. The two proposals, one from Warfield Appraisal in the amount of $9,200 and one from Short, Elliott & Hendrickson (SEH) in the amount of $12,500 were presented for council review. Mr. Johnson noted it will take both entities to assist the city in obtaining temporary easements for the Hwy 56 project.
* Mr. Johnson also noted any trees needed to be removed for this project will be taken down next winter. This removal is done during the winter months to protect a bat species.
* Council discussed the options and timeline of this project. The cost from these two companies is for eight parcels identified as city parcels for this project. Council also discussed street light poles. Payne noted that cameras could be attached to the new street light poles. Mr. Johnson reported MnDOT needs 90% complete plans by March 22, 2022. The bid letting for this project is scheduled for October, 2022. It is believed payments from the city for this project will begin in January, 2023.
* Motion by Payne, second by Thiel to approve the proposal from Warfield Appraisal Group, LLC in the amount of $9,200 for the purpose of rendering valuation consultation and/or appraisal services for the temporary easements for the Hwy 56 project. Motion carried 5-0. Motion by Thiel, second by Shipman to approve the proposal from SEH to assist with temporary easements for tree impacts related to this project. Motion carried 5-0. Council also discussed the installation of an empty conduit to be installed in the same trench as electrical service. Mr. Johnson was thanked for his time with this.

Parks:

* Koppen noted he is looking for involvement from citizens to better enhance the parks and restroom facilities at both parks. He would also like to address vandalism that happens at both parks. He would like to see a committee assembled to further discuss the parks and the park amenities.

Land Use Permits:

* Council reviewed two land use permits.

1. Section 28 Township 101 Range 014  200 X 250 FT OUT LOT 26 NW & ADJ TO OUT LOT 28 BK 233-561 1.15 AC, 515 W Main, DGI LeRoy, Inc.-build Dollar General
2. Lot 18, Lot 19 Exc E 8’ S70’ & W22’ N 48.86’ Lot 20, Block 1, Original Village, 209 E Luella-build addition to garage

* Jim Lundberg, Point of Beginnings, LLC, was present to represent the developer, DGI LeRoy, Inc., for the construction of a Dollar General. Mr. Lundberg reported an approved purchase agreement is in hand for this parcel. Huntley noted this parcel is not city owned property; this parcel is privately owned. Council noted they would have liked to have known about this permit sooner. It was noted that the League of Minnesota Cities and the city attorney were contacted in advance of this meeting to get further information about this permit. Koppen questioned why this permit should be handled any differently as any other permit. Thiel felt to do due diligence, council should table this permit this evening to get additional input from citizens and business owners. Payne reported he received 30 or more calls within the past couple of days with both pros and cons to this proposed development. Thiel noted he is not registering anything either for or against this permit, but he would like more time. Motion by Koppen to approve Permit #1. Second by Payne. On a roll call of votes Koppen, Payne, Shipman, and Huntley voted aye. Thiel abstained from the vote. The motion carried.
* Council reviewed Permit #2 and posed some questions about this permit. Motion by Huntley, second by Shipman to approve Permit #2. On a roll call of votes, all members voted aye. Motion carried 5-0.
* White reported a housing tax abatement application had been received. Motion by Payne, second by Huntley to hold a public hearing on March 7, 2022, at 7:00 PM for this tax abatement application. Motion carried 5-0.

Communications File:

* There were no items in the communications file for council review.

City Positions-Maintenance Department:

* The open position in the maintenance department was discussed. Motion by Thiel, second by Huntley to advertise for a maintenance worker. Motion carried 5-0. Payne questioned if a committee should be set up to review the applications. Council discussed this idea or if council should all participate in the interviews. White reminded council if they all should be involved in the interview process, this would have to be done at an open meeting. Payne and Huntley offered to serve on the committee. It was decided to have an application deadline of February 18, 2022, if the maintenance worker ad can make in the February 10, 2022, edition of the Mower County Independent. If the ad cannot make this week’s paper, the application deadline will be moved to February 24, 2022. The goal is for the committee to conduct interviews prior to the March 7, 2022, city council meeting and to present the candidate to the council at the March 7, 2022, city council meeting for council approval.

City Employee Request to Attend Conference:

* White requested to be able to attend the MCFOA Conference March 22-25, 2022, at St. Cloud. Motion by Payne, second by Huntley to allow White’s attendance at this conference. Motion carried 5-0.

Street Project for 2022:

* Sweeney reported he has not made contact with Colton from Heartland Asphalt yet. Shipman has some street information; he will get this information to Sweeney.

Strong & John Street-Right of Way Infringement:

* This project will be worked on this spring.
* Dick Soltau questioned about snow removal and the time frame for cars to be moved from the streets for snow removal. Council noted this is addressed in city ordinance. Mr. Soltau also questioned about having no street parking from a certain date in the fall until a certain date in the spring. Council has discussed this in the past; no action was taken at this time.

Huntley left at 7:55 PM.

Water & Sewer Rates:

* Thiel questioned if there was a good analysis of actual costs and income for a cost analysis for the water fund and sewer fund. White reported the last time water and sewer rates were increased was in 2013. Rates were increased twice that year.
* Thiel noted that it seems that the current water and sewer rates are only covering the regular costs of each department and not having funds to set aside for capital improvements. Council discussed options for increasing rates.
* Motion by Shipman, second by Thiel to pass Resolution 2022-03, a resolution to increase the base rate of water to $17.00 per month, to increase the base rate of sewer to $17.00 per month, and to increase the use rate for water to $3.00 per each 100 cubic feet after the first 200 cubic feet of water usage, and to increase the use rate for sewer to $3.00 per each 100 cubic feet after the first 200 cubic feet based on water usage to be effective with the April, 2022, billing cycle. Motion carried 4-0.

Security Cameras Update:

* Thiel had gathered some information on security cameras. This information will be reviewed at upcoming council meetings.

Service Award Recognition:

* Council noted recognition to John Jones for all he did for the City and for the community. John will be truly missed for all he did quietly for the betterment of this community.

Nuisance Properties:

* These will be addressed this spring.

North Speed Limit Sign:

* The sign still needs to be installed.

ARPA Funds:

* There was nothing new to report on this.

EDA Report:

* Payne reported all the buses have been sold. The EDA is waiting for the funds from the sale of the two Freightliner buses to be transferred from Ritchie Bros.
* Payne reported the new Wildwood Grove director, Diane Whalen, began working at WWG on January 17, 2022. Three new residents are supposed to be moving in; WWG did lose one resident due to death. Staffing levels are getting better; new hires are getting trained.
* Koppen updated those present about the special council meeting held to address a funding shortfall at WWG. Koppen noted that he has no issue with any of the city employees or the council members. Payne noted that COVID hurt WWG with staffing levels, occupancy, and the fact that WWG could not apply for any federal funds due to being a city-owned facility. Payne noted the EDA and City are now receiving better financial reports; a balance sheet is part of the reports both entities receive. Payne noted a report showing full detail of expenses and income month by month plus an accounts receivable aging schedule will be received. Payne noted the EDA is working on getting all the bookkeeping switched to being in-house at WWG. Occupancy has a large effect on income for the facility. Koppen noted he still does not know how the previous administrator was hired. He reviewed the audit bills from 2019, 2020, and 2021. He noted he is not disputing anything that Payne has said.
* Koppen noted that Wildwood Grove, Inc. is technically the board that oversees the operation of WWG. He noted that WWG, Inc. is technically in non-compliance. Koppen noted that the EDA members were not even aware of WWG, Inc. Shipman noted the EDA has been serving as that board; he also reported the EDA was not getting the proper reports from the previous administrator or previous bookkeeper. Payne reiterated the EDA owns WWG. Thiel noted information contained in the September 14, 2020, EDA minutes. Koppen noted the city council is ultimately responsible for WWG. Koppen noted the city council should become the WWG, Inc. board so the city council can receive information first hand. Shipman noted that protocols are in place to make things better; he noted all these other implications are long over with.
* Motion by Shipman that the EDA remains as the Wildwood Grove, Inc. board in charge of Wildwood Grove. Second by Payne. On a roll call of votes Shipman, Payne, and Thiel voted aye. Koppen cast a nay vote. Motion carried 3-1.

Being no further business to come before the council, the meeting was adjourned on a motion by Payne, second by Shipman at 8:30 PM.

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Ed Koppen, Mayor

Attest:

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Patty A. White, City Clerk-Treasurer