

**City Council Regular Meeting
August 13, 2018
Monday 7:00 p.m.**

The regular session of the City Council, City of Sacred Heart, Minnesota was called to order on August 13, 2018 at 7:00 p.m. by Mayor Dan Agre.

City Council Members present were Randy Johnson, Dick Ashburn, Andy Stauffer and Brooke Hebrink. Also present were Paul Jurek from Bollig Inc., David Drown from David Drown Associates, Paula Fitzgerald from Novel Historical Solar LLC., Sara Beavers from Dennis E. Oberloh LTD., Darla Dillon from Warner Manufacturing, City Administrator/Clerk/Treasurer Colette Santjer, Public Works Supervisor Mike Sietsema and Public Works Worker Scott Agre and residents Dick and Nancy Hoff.

1. Approval of Agenda

A motion was made by Brooke Hebrink and seconded by Dick Ashburn to approve the agenda with the following changes: Corey Ashburn Autobody Quote – Samuelson Vehicle Repairs to 7b. The motion carried 4 to 0.

2. Approval of Minutes

A motion was made by Andy Stauffer and seconded by Brooke Hebrink to approve the minutes of the July 9, 2018 Regular Meeting, July 9, 2018 Public Hearing and the August 1, 2018 Special Meeting Minutes. The motion carried 4 to 0.

3. Invoices Payable

A motion was made by Andy Stauffer and seconded by Randy Johnson to approve the invoices payable as presented. The motion carried 4 to 0.

4. Resolution 02-124 approving a Conditional Use Permit to Novel Historical Solar LLC on behalf of the Sacred Heart Historical Society

Resolution 02-124 was reviewed and discussed. The City Council, serving as the Planning Commission met on July 9, 2018, to discuss the application and review the regulations of the Low-Density R-1 District of the City Zoning Code and determined the following findings in fact:

1. The subject property located at 82910 160th St., in Sacred Heart, is zoned R-1, Low Density Residential District. The legal description is; That part of Lot Two (2) of Davidson's Subdivision Of Lot Two (2) of Linden's Subdivision in Northwest quarter of Northwest quarter (NW1/4 NW1/4) of Section Seven (7), Township One Hundred Fifteen (115), Range Thirty-seven (37) which lies North of Lot "A" of Lot Two (2) in the Northwest quarter of the Northwest quarter (NW 1/4 NW1/4) in Section Seven (7), Township One Hundred Fifteen (115), Range Thirty-seven (37), Renville County, Minnesota. Containing 6.46 acres, more or less.

2. Novel Historical Solar LLC desires to develop and construct a one-megawatt community solar garden on their property at 82910 160th St, Sacred Heart, MN. This request would total 5 acres within an R-1, Low Density Residential District which is currently not a permitted use under the ordinances of the City of Sacred Heart without the approval of a conditional use permit.
3. The Planning Commission has considered the application for a conditional use permit and made findings on the following criteria:
 - A. The development and construction of the one megawatt solar garden will not be detrimental to or endanger the public health, safety or general welfare and is not contrary to established standards, regulations or ordinances.
 - B. The structure as designed and appropriately constructed in appearance, in fact, will be orderly and harmonious in the residential neighborhood.
 - C. The addition of a solar community garden will not be substantially injurious to the permitted uses nor will it negatively affect property values within the area.
 - D. There is adequate area to provide ingress and egress on the property relating to appropriate traffic standards in the R-1 District.
 - E. The conditional use fits in with the Comprehensive Plan and will conform to all applicable regulations as required in the R-1 District.
4. The Planning Commission finds that this request is in harmony with the general purposes and intent of the Code and consistent with Comprehensive Plan.
5. The Planning Commission finds that the approving of the conditional use permit will not be of substantial detriment to the adjacent property and will not materially impair the intent of the Code or the public interest.

Upon review of the Fact Findings a motion was made by Brooke Hebrink and seconded by Andy Stauffer to approve Resolution 02-124 approving a conditional use permit to Novel Historical Solar LLC, on behalf of the Sacred Heart Historical Society, to develop and construct a community solar garden on their property at 82910 160th St. The motion carried 4 to 0.

5. Warner Manufacturing Building Permit – Silo System for Resin Storage and Conveying

A building permit application from Warner Manufacturing was reviewed and discussed for the construction of a silo system. Proposed use for the silo system is for resin storage and conveying. After much discussion, a motion was made by Randy Johnson and seconded by Dick Ashburn to approve the permit as presented. The motion carried 4 to 0.

6. Blighted Properties - Chief Deputy Jason Mathwig

Chief Deputy Jason Mathwig was present to discuss the status of blighted properties within Sacred Heart. An initial violation list from a May 16, 2018 review totaled 44 properties. After a recent review by the Renville County Sheriff's Office, 17 properties remain in violation. After much discussion, the council directed Chief Deputy Jason Mathwig to move forward with state

citations on any properties that have made no attempt to clean up and correct their violations. City citations will be issued to properties that have made some progress but remain in violation.

7. Infrastructure Project – Paul Jurek from Bollig Inc. and David Drown from David Drown Associates

Brian Bollig from Bollig Inc. and David Drown from David Drown Associates were present to discuss the infrastructure project. Discussion was held on the overall funding of the infrastructure project. With total project costs for Priority 2 of the infrastructure project estimated at \$6,712,144.00. Discussion was held on ineligible street items and looping of water main. David Drown addressed the council with a revised funding plan for Priority 2 debt including the possibility of offsetting a large property tax increase with the use of city-wide special assessments. This approach will also likely decrease the utility rate increase that was initially presented. With council direction, David Drown will begin the necessary process to calculate the utility rate increase and special assessments needed and address the council with a revised funding plan at next month's council meeting.

8. 2019 Budget Review

Sara Beavers from Dennis E. Oberloh LTD. was present to discuss the 2019 budget with the council and answer any questions they may have. After much discussion, a motion was made by Andy Stauffer and seconded by Brooke Hebrink to schedule a Special Meeting to thoroughly review the 2019 Budget on August 27, 2018 at 6:30 p.m. The motion carried 4 to 0. The approval of the proposed budget will take place at the next regularly scheduled council meeting on September 10, 2018.

9. Police Report – Monthly Summary from Renville County Sheriff's Office

A monthly summary report was provided to the council from the Renville County Sheriff's Office for review. A total of 34 calls were taken during the month of July. With a total of 154.25 hours patrolled for the month.

10. Liquor Store Report – Bart Estum

Liquor Store Manager Bart Estum was absent due to a personal leave of absence. Discussion was tabled until next month.

11. Maintenance/Water/Sewer Report – Mike Sietsema

Maintenance Supervisor Mike Sietsema was on hand to give his report to the council. Discussion was held on the replacement for his position upon his planned retirement in February of 2019. A Quote from Corey Ashburn Autobody was reviewed and discussed for the repairs on Kim Samuelson's vehicle which was damaged in an incident with the pay loader several months ago while Sietsema was performing maintenance on the alley. With repairs totaling only \$1,205.06, a motion was made by Andy Stauffer and seconded by Randy Johnson to move forward with the repairs as quoted from Corey Ashburn, without submission to the city's insurance. The motion carried 4 to 0.

12. SHEDA Report – Randy Johnson and Andy Stauffer

Councilmembers Randy Johnson and Andy Stauffer gave the report for S.H.E.D.A. Discussion was held on the advertisement of the vacant lots currently owned by the EDA on the Southwest edge of town. Discussion continued on apartment maintenance items. Current bills and financials were reviewed and discussed.

13. Resolution 02-125 Declaring 601 1st Ave S as Surplus Property

Resolution 02-125 declaring city owned property located at 601 1st Ave S as surplus property was reviewed and discussed. A motion was made by Randy Johnson and seconded by Dick Ashburn to approve Resolution 02-125 as presented. The motion carried 4 to 0. After much discussion, a motion was made by Andy Stauffer and seconded by Brooke Hebrink to approve the sale of this property, 601 1st Ave S, to Greg and Mike Gluth for \$500.00 with the stipulation that the property is renovated and rented or sold within an appropriate amount of time determined by Administrator Santjer and the city attorney. The motion carried 4 to 0.

14. Franchise Fees

After discussion with David Drown and Brian Bollig regarding the possibility of special assessments for funding the expenses related to Priority 2 of the city infrastructure project the council felt that franchise fees were not required at this time. No discussion was held.

15. Ordinance 2018-03 First Reading – Updating the Fine and Fee Schedule with Utility Rate Increase and Bulk Water Increase

After discussion with David Drown and Brian Bollig regarding the possibility of special assessments for funding expense related to Priority 2 of the city infrastructure project and a possible change in the needed utility rate increase, the first reading of ordinance 2018-03 was tabled indefinitely.

19. Adjourn

A motion was made by Dick Ashburn and seconded by Randy Johnson to adjourn the meeting. The motion carried 4 to 0. Meeting was adjourned at 9:29 p.m.

ATTEST:

BY _____
Colette Santjer, City Administrator/Clerk/Treasurer

The next Regular Council Meeting is scheduled for September 10, 2018 at 7:00 p.m.

The City of Sacred Heart is an equal opportunity provider and employer.