

**City Council Regular Meeting  
August 9, 2021  
Monday 7:00 p.m.**

The regular session of the City Council, City of Sacred Heart, Minnesota was called to order on August 9, 2021 at 7:00 p.m. by Mayor Dan Agre.

City Council Members present were Brooke Hebrink, Randy Johnson, Dick Ashburn, and Andy Stauffer. Also present were Administrator Amy Hubbard, Public Works Supervisor Scott Agre, Liquor Store Manager Brooke Busack, Derek Koenen, and Kelly Martin.

**1. Approval of Agenda**

Additions to the agenda included building permit for EDA, building permit for Kelly Martin, and set a public hearing date for rezoning of portion of Hebrink property. A motion was made by Randy Johnson and seconded by Andy Stauffer to approve the agenda as presented along with the additions. The motion carried 4 to 0.

**2. Approval of Minutes**

A motion was made by Randy Johnson and seconded by Dick Ashburn to approve the July 12, 2021 regular meeting minutes. The motion carried 4 to 0.

**3. Invoices Payable**

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

**4. Liquor Store Report – Brooke Busack, Liquor Store Manager**

Liquor Store Manager Brooke Busack was present to give her report to the council. Busack presented a letter addressed to the council and Administrator Hubbard with information regarding bartender and manager pay rates at local competitors. Busack expressed her frustration with keeping bartenders as she feels that a pay increase would help. Busack presented an increase to \$13.00/hour for part-time bartenders, \$15.00/hour for full-time bartenders, and \$24.00/hour for Manager salary. Hubbard has been in contact with David Drown Associates regarding a comp study to see where our salaries compare to local entities. After much discussion, a motion was made by Andy Stauffer and seconded by Randy Johnson to accept Brooke Busack's recommendations to increase pay for part-time bartenders to \$13.00/hour, full-

time bartenders to \$15.00/hour, and the Manager salary to \$24.00/hour with an effective date starting immediately as it would be on the August 24<sup>th</sup> payroll. The motion carried 4 to 0.

Busack updated the council on some items. Busack has been in contact with Community Electric for the replacement of the lights to LED. Busack and Stauffer conversed about the camera situation in the Liquor Store. Stauffer expressed that he will come to the store and they will discuss the best options. Timecard entry is now on the POS computer system. Busack has been in contact with Bisbee about fixing the sewer lines in the bathrooms. Hoping to start work on the bathrooms soon.

## **5. Building Permit – Kelly Martin**

Sacred Heart resident, Kelly Martin, requested a building permit to put up a garage. After discussing the layout with Martin, the council requested Martin provide a written statement from his neighbor consenting to the build. A motion was made by Andy Stauffer and seconded by Brooke Hebrink approving the building permit contingent on letter from neighbor consenting to the build of the garage. The motion carried 4 to 0.

## **6. Hebrink Rezoning – Public Hearing Date Set**

Council discussed the request for rezoning introduced by Ross and Brooke Hebrink. Council set the public hearing date for September 13<sup>th</sup> at 6:45pm, prior to regular scheduled council meeting.

## **7. Maintenance/Water/Sewer Report – Scott Agre, Public Works Supervisor**

Public Works Supervisor, Scott Agre was present to provide the public works report. Agre and Hubbard were contacted by MPCA requesting information on draining the water from the basement of the old school into the sewer. The MPCA estimates between 80,000 to 100,000 gallons of water that would be removed. The council agreed that we would charge the sewer rate which would be \$830.16 to \$1,037.70, respectively. The MPCA stated that they would have the water tested first. If the water is determined to have pollutants, the MPCA stated that they will drain the water into containers first and treat the water as needed prior to it being released into the sewer system. The council agreed that there will be a meter attached to calculate the true flow. A motion was made by Andy Stauffer and seconded by Randy Johnson to approve the draining of the water into the sewer system contingent on the MPCA testing the water and providing treatment of water as needed along with Scott Agre and Curt Reetz's concurrence, as well as the MPCA will be held responsible for any fines associated with the drainage. The motion carried 4 to 0.

Agre presented the council with an estimate for the Toolcat that was brought to town for a test drive by Scott Agre and Dave DeLong. The Toolcat worked well around town. It has 2 seats, dump box, forks, broom, blower, and bucket attachments. Currently the blower on the John

Deere won't last this season. Council encouraged Agre to retrieve leasing options for the Toolcat.

The council commended Agre on the spraying of the weeds down Hwy 212 as well as the mosquito spraying was greatly appreciated. Council acknowledged that Bargaen did a good job with the patching work around town.

## **8. Police Report and Monthly Summary – Renville County Sheriff's Dept**

Renville County Sheriff's Department provided the June monthly summary police report. A total of 42 calls were taken along with 206.50 hours patrolled for the month. Deputy Derek Koenen introduced himself to the council as the deputy that will be patrolling the Sacred Heart area on a regular basis. Council requested that Deputy Koenen be aggressive on ticketing for broken windows, expired tabs, etc. without the council's advisement. Council discussed the issues around town in which residents of Sacred Heart are concerned with.

Deputy Koenen also addressed the concern for blighted properties within city limits. Along with that, Renville County provided a letter to the City of Sacred Heart with a list of forfeited properties that will be put on auction for non-payment of property taxes. A motion was made by Andy Stauffer and seconded by Brooke Hebrink to approve Resolution 02-166 Tax Forfeited Property stating that the right of first refusal will be given to immediate neighbors, Steve Agre and Dave Skjefte. The motion carried 4 to 0.

## **9. SHEDA Report – Randy Johnson and Andy Stauffer**

Randy Johnson and Andy Stauffer were present to give an update on SHEDA. Scott and Amy completed the annual apartment walk-throughs. No extreme concerns however there is a need to replace some appliances. A list was created and SHEDA members along with Bob will complete what is needed.

As previously mentioned, SHEDA purchased a house from RCW to be put at 425 Walnut St E. There will be a full basement and the house is expected to be moved within the next 3 weeks. Currently there is no plan on if the house should be set up as a daycare or residential housing. SHEDA will continue to discuss the outcome of the building at the next meeting. SHEDA was also able to get funding from Citizen's Alliance for a LOC in the amount of \$120,000.00 to alleviate the financial burden on SHEDA. Stauffer and Johnson explained that since SHEDA is part of the City of Sacred Heart the bank needs an approval to obtain the LOC. A motion was made by Brooke Hebrink and seconded by Dick Ashburn approving SHEDA to obtain a Line of Credit in the amount of \$120,000.00 for the cost of expenditures associated with the house that was purchased and will be put at 425 Walnut St E. Randy Johnson and Andy Stauffer abstained from voting as they are members of SHEDA. The motion carried 3 to 0. SHEDA also presented the council with a building permit for the aforementioned house. A motion was made by Dick Ashburn and seconded by Brooke Hebrink to approve the building permit for SHEDA with the

intention of bringing a house onto the lot addressed 425 Walnut St E. Randy Johnson and Andy Stauffer abstained from voting as they are members of SHEDA. The motion carried 3-0.

SHEDA continues to work with establishing funding for the construction of a Pickleball court. It was planned to request a \$6,000.00 donation from the city to help fund the Pickleball court however Administrator Hubbard will be in contact with Aaron Walton, city attorney, to make sure SHEDA is within their rights to do so. This will be tabled until more information is received.

## **10. Hwy 212 Project, Retention Pond Ideas – Administrator Hubbard**

Administrator Hubbard presented the council with an idea to possibly help alleviate some of the immediate concerns involving the wet retention pond on the east end of town that will be constructed during the Hwy 212 Project in the summer of 2023. As it has been discussed quite heavily between councilmembers, MNDOT, and concerned Sacred Heart residents, the wet retention pond was not welcome. MNDOT continued to push a strong narrative stating that the ponds would not be removed from the project as they are mandatory based on MNDOT requirements. Since the ponds will not be removed, the strong concern regarding the wet pond was the aesthetic look of it and the increase in mosquitos. After doing some research, Hubbard presented the council with the idea of landscaping the pond and installing a fountain with lights. This would not only look appealing to commuters on Hwy 212 and patrons at the Sacred Heart Liquor Store, but it would also control the mosquito population as aerated waters are not a common breeding ground. Since the project has not commenced, the council entertained the idea with enthusiasm and will look at pricing as we get closer to the construction of the pond.

## **11. LED Digital Sign**

City Administrator Hubbard provided the council with a detailed information and cost proposals for the construction of an LED Digital Sign. Several different layouts were provided as well as the Sacred Heart header. After much discussion regarding the benefits of the sign as a means of providing onlookers with valuable city information and community happenings, the council agreed that the sign would be an asset to the community and city. Councilmember Hebrink mentioned that we should look at different header designs that would coordinate with the city signs at either end of the city entrance. Council agreed that Administrator Hubbard and Councilmember Hebrink would collaborate on the design outside of the current council meeting. Council agreed that the sign would be placed on the corner of 2<sup>nd</sup> Ave S and Hwy 212. It would be placed within the same lot as the Hotel Sacred Heart. Hubbard presented the council with the funding that is available to pay for the sign. The city received \$26,560.07 from the American Rescue Plan Act to aid in COVID-19 efforts in providing health information to citizens as well as providing remote work abilities. A portion of this grant was used to pay for 8 Surface Pros for city council members, mayor, administrator, and 2 city employees. The Surface Pros amounted to \$5,777.95, leaving \$20,782.12 to be used for the purchase and construction of the sign. The sign that was agreed upon has a total cost of \$40,420.00 with that including the cost of electrical

and concrete slab. With a remaining balance of \$19,637.88, the council agreed that the city would use profits from the Sacred Heart Liquor Store to pay the remaining balance. A motion was made by Andy Stauffer and seconded by Brooke Hebrink to approve the purchase of the LED digital sign from DC Signs as well as approve the bid from Sullivan's Electric for the construction of the concrete slab and all electrical work to be completed as the project will be paid by the remaining ARPA funds of \$20,782.12 as the Sacred Heart Liquor Store will pay the remaining balance of \$19,637.88. The motion carried 4 to 0.

## **12. SVF PERA – Approve Resolution 02-163 A Resolution Opting to Increase the Benefit Level for Firefighters Who Are Vested in the Statewide Volunteer Firefighter Plan**

Councilmembers received a current year cost analysis for the statewide volunteer firefighter (SVF) PERA plan as well as a cost analysis with four different increases showing funding availability. Currently the SVF service pension level is at \$800.00. According to the cost analysis the city would be able to increase this level comfortably up to \$1,000.00 without using city funds. After much discussion, Hubbard presented the council with PERA's recommendation of moving the benefit level up to \$1,000.00. The council agreed that this would be beneficial to our fire department and would not put a financial burden on the city. A motion was made by Randy Johnson and seconded by Dick Ashburn to approve Resolution 02-163 A Resolution Opting to Increase the Benefit Level for Firefighters who are Vested in the Statewide Volunteer Firefighter Plan in which the benefit level would increase from \$800.00 to \$1,000.00 effective January 1, 2022. Andy Stauffer and Brooke Hebrink abstained from voting as it is a conflict of interest. The motion carried 3 to 0.

## **13. 2022 Budget Review**

Administrator Hubbard provided the council with a rough draft of a proposed budget for 2022. Hubbard relayed information provided by the city auditor, Sara Oberloh, regarding the levy. After much discussion between Oberloh and Hubbard, it was confirmed that the Firehall Debt Service could be moved to General Levy and used where needed without drastically changing the total levy. Hubbard proposed to the council that since the Firehall Debt Service has a credit of \$90,000+ the payments would be covered for several years, and the payment amount would be tagged on the General Levy allowing for that amount to be used as needed by the city whereas if we keep it under the Debt Service it can only be used as that. The council agreed that this proposal is acceptable and would like to see the final proposed budget for 2022 to get a better understanding.

Council provided many budget items to be looked at either this coming year or future years, including: city pick-up, Toolcat (blower), fire truck payment, seal coating the parking lots including the Liquor Store, appliances in the CC kitchen, light pole, LED lights downtown, demo of city-owned property south of the CC, etc.

**14. Approve Resolution 02-161 A Resolution to Accept the Coronavirus Local Fiscal Recovery Fund Established Under the American Rescue Plan Act - \$26,560.07**

A motion was made by Andy Stauffer and seconded by Dick Ashburn to approve Resolution 02-161 A Resolution to Accept the Coronavirus Local Fiscal Recovery Fund Established Under the American Rescue Plan Act in the amount of \$26,560.07 with the same amount to be received in May of 2022. The motion carried 4 to 0.

**15. Approve Resolution 02-162 A Resolution to Accept the Small Cities Assistance Program Under the Transportation Bill - \$10,565.00**

A motion was made by Randy Johnson and seconded by Andy Stauffer to approve Resolution 02-162 A Resolution to Accept the Small Cities Assistance Program Under the Transportation Bill in the amount of \$10,565.00 with the same amount to be received in December of 2021. The motion carried 4 to 0.

**16. Adjourn**

A motion was made by Andy Stauffer and seconded by Dick Ashburn to adjourn the meeting. The motion carried 4 to 0. Meeting was adjourned at 8:09 p.m.

ATTEST:

BY \_\_\_\_\_  
Amy Hubbard, City Administrator/Treasurer/EDA Director

The next Regular Council Meeting is scheduled for September 13, 2021 at 7:00 p.m.  
The City of Sacred Heart is an equal opportunity provider and employer.