

**CITY OF ZUMBROTA  
COUNCIL MEETING MINUTES  
DECEMBER 21, 2023  
6:00 P.M.  
TOWN HALL**

Pursuant to due call and notice thereof, Mayor Todd Hammel called the Zumbrota City Council to order at 6:00 PM. PRESENT: Council members Sara Durhman, Joan Bucher, Bob Prigge, and Kevin Amundson. Others present: Public Works Director Mike Olson, Finance Director Kim Simonson, City Administrator Brian Grudem, Library Director James Hill, Police Chief Pat Callahan, City Attorney Matt Rockne, Monica Capra, and NewsRecord reporter Holly Galbus (remote).

**AMENDMENTS/ADOPTION OF AGENDA**

**MOTION** Durhman, second Prigge to adopt the agenda. Approved 5-0-0

**MINUTES – DECEMBER 7, 2023, MEETING MINUTES**

**MOTION** Durhman, second Amundson to approve the December 7, 2023, meeting minutes. Approved 4-0-0

**ACCOUNTS PAYABLE – DECEMBER 21, 2023**

**MOTION** Amundson, second Prigge to approve the accounts payable in the amount of \$998,132.71. Approved 5-0-0.

**PUBLIC COMMENT**

**PUBLIC HEARING**

**UNFINISHED BUSINESS**

**7-A. RESOLUTION 2023-21 2024 FINAL BUDGET AND LEVY**

Simonson presented the Council with the final budget and levy and discussed the proposed utility rates for 2024. **MOTION** Prigge, second Durhman to approve Resolution 2023-21 Resolution Approving Final Budget and Levy Collectible in 2024 as follows:

GENERAL	\$2,041,490
LIBRARY	\$ 230,210
PARK	\$ 70,726
SWIM POOL	\$ 91,488
21 GO Bond	\$ 194,875
<b>Total Levy</b>	<b><u>\$2,628,789</u></b>

Approved 5-0-0.

**NEW BUSINESS**

**8-A. FEE SCHEDULE DISCUSSION AND SET PUBLIC HEARING**

Copy of the 2024 proposed fee schedule was reviewed and discussed. Durhman said she would like additional information on the cannabinoid license fee with regards to other area cities. **MOTION** Durhman, second Amundson to set a public hearing for January 4, 2023, at 605pm. Approved 5-0-0.

### **8-B. CEDA CONTRACT**

In 2022 staff asked for and received the ok to hire CEDA for two additional days each week. The additional time was to be paid for by the increase in building permits. There has been marked slowdown in building, resulting in far fewer permits and zoning reviews. Due to the slowdown, permit fees have dropped and there is adequate time for the Community Development Director position to pick up the planning aspect of the position. Staff is requesting the council approve a reduced CEDA contract going back to 5 days per week at a yearly cost of \$104,825. **MOTION** Durhman, second Bucher to approve the CEDA contract for five days a week for a cost of \$104,825. Approved 5-0-0.

### **8-C. BUILDING INSPECTIONS CONTRACT**

In the summer of 2023, SE Building Inspections (SEBI) sold their business to Construction Management Services (CMS). The City has been working with CMS since then. Staff has received two proposals for building inspections services one from CMS and one from MNSPECT as outlined below: MNSPECT offers a customizable permitting workflow model which includes online permitting software. This will allow citizens and contractors to apply for permits online and log onto the system to check the status of their permits. MNSPECT is offering no additional cost to new jurisdictions for the implementation of this permitting software, however that may not always be the case. Under the proposal the City of Zumbrota would adopt the 1988 UBC fee schedule. Examples of flat fee permits such as reroof, reside, and window replacement which are currently \$50.00 would increase to \$63. A valued permit project of \$5,000 would increase from a current permit price of \$50.50 to a proposed price of \$72. The percentages of permit fees remitted to MNSPECT would be the same as CMS (80% of permit fees & 100% of plan review fees). They will do a cursory Zoning review and point out anything they feel does not meet Zumbrota's Zoning ordinance. Full Planning and Zoning services are available at an extra cost.

Under CMS's proposal, they have a plan to revamp their permitting process. This revamp includes positive changes such as guaranteed permit review timelines and an online permitting portal. The cost of the online permitting portal would be \$200/month. The proposal includes refundable permit deposits, which will fall back on city staff and increased permit prices They are offering three fee structures, the 80/20 percentage split of permit fees, which the City currently has now, the permit fee amounts are set by CMS. A lump sum payment would allow cities to maintain their own fee schedule, but those revenues may not meet the lump sum total CMS would charge. And third is an hourly charge model where all work done by CMS is charged out at an hourly price. The most cost-effective pricing model for the city would continue to be the 80/20 percentage split model, but this would raise permit fees drastically to meet CMS's new proposed fee schedule.

For example, the flat fee permit price for a roofing project currently is \$50.00, and under the proposed pricing structure would be increased to \$100, Manufactured Homes would increase from \$50.00 to \$220.00. Valued permitting projects would also see increases of upwards 300%, for example a project valued at \$5,000 the current permit fee would be \$50.50, and under the proposed pricing structure would be \$219.50. CMS is also proposing a monthly retainer fee based on the number of permits issued in the previous quarter, somewhere around \$100 per month for Zumbrota. This fee is proposed to offset time spent answering code questions that are not part of a permit application.

MNSPECT requires the smallest increase to permit prices while offering a very sophisticated business model including online permitting and the ability for permit holders to check the status of their permit, which will save a substantial amount of city staff time. Staff recommends entering into a one year renewable contract with MNSPECT commencing March 1st 2024. **MOTION** Durhman, second Prigge to enter into a one-year renewable contract with MNSPECT commencing March 1, 2024. Approved 5-0-0.

**8-D. 2024 CIGARETTE & TOBACCO LICENSE RENEWALS**

**MOTION** Amundson, second Bucher to approve the 2024 Cigarette and Tobacco License Renewals:

- Casey's General Store #2809, 1390 Main St
- Casey's General Store #2810, 188 Main St
- Kwik Trip, Inc #463, 100 Jefferson Dr
- The Guilty Goose Inc, 223 Main St S
- Santram LLC (Zumbrota Speedway,) 201 East 18th St
- Family Dollar/Dollar Tree, 2101 180th Ave
- Zumbrota Tobacco, Inc, 2101 180th Ave

Approved 4-0-1 (Durhman abstaining).

**8-E. 2024 CANNABINOID LICENSES RENEWALS**

**MOTION** Durhman, second Amundson to approve the 2024 Edible Cannabinoid License renewal for the following:

- Covered Bridge Supper Club, Inc., 1439 North Star Drive
- Santram, LLC, 201 E 18<sup>th</sup> Street

Approved 5-0-0.

**8-F. ZUMBROTA TOBACCO – CANNABINOID LICENSE**

**MOTION** Durhman, second Amundson a new cannabinoid license for Zumbrota Tobacco. 2101 180<sup>th</sup> Ave. Approved 5-0-0.

**8-G. NILSSEN’S LIQUOR LICENSE**

**MOTION** Bucher, second Prigge to approve a new liquor license and new cigarette and tobacco license for Nilssen’s Foods, 228 West Avenue. Approved 5-0-0.

**8-H. NILSSEN’S CIGARETTE & TOBACCO LICENSE**

**MOTION** Bucher, second Prigge. Approved 5-0-0.

**8-I. EARNED SICK AND SAFE TIME – PERSONNEL POLICY REVISION**

Per Minnesota State Statute 181.032 & 181.9445-181.9448 *Earned Sick and Safe Time (ESST)*, cities are required to provide a certain level of paid leave to employees. The new law articulates many instances where ESST time can be used. Employers are required to provide 1 hour for every 30 hours worked (this includes part-time employees). The current PTO policy exceeds the minimum for full-time employees so they will accrue PTO as normal. Part-time employees will accrue 1 hour for every 30 hours worked. The ESST language must be adopted into the City’s PTO policy. **MOTION** Durhman, second Amundson to adopt the Earned Sick and Safe Time as a personnel policy revision. Approved 5-0-0.

**8-J. JEFFERSON PARKING**

Grudem presented a plan allowing parking on the west side of Jefferson from 2<sup>nd</sup> to 4<sup>th</sup> Streets, the started at the townhomes to Mill Street on the west and southwest side of Jefferson and from Mill to Jefferson Heights on the south side. No parking would be allowed on the ambulance side of Jefferson from Jefferson Heights to Main Street. There was discussion on whether or no parking should be allowed on Jefferson by the Ponderosa Mobile Manufactured Home park or Our Savior's Lutheran Church. Mayor Hammel said he was in favor of parking on the walking path side. The Police Department did a twelve-hour survey on the truck route portion from 1<sup>st</sup> Street to 5<sup>th</sup> Street and counted forty-eight trucks. **MOTION** Durman, second Amundson to approve parking on the walking path side of Jefferson from 2<sup>nd</sup> to 4<sup>th</sup> Streets, on the walking path side from the townhomes near 6<sup>th</sup> Street to Mill Street, on the walking path side from Mill to Jefferson Heights on the south side and on the walking path side from Abby Lane to the end of the trail. Approved 5-0-0.

#### **8-K. 2024 DAIRICONCEPTS DISCHARGE PERMIT**

Staff have been working on the DairiConcepts discharge permit. Overall, the permit stayed the same, but sewer rates will be increased by 4%. **MOTION** Prigge second Durhman to approve the DairiConcepts Discharge Permit. Approved 5-0-0.

#### **8-L. NEW HIRE – OFFICER ZACHARY CAMERON**

**MOTION** Prigge, second Amundson to approve the hire of Officer Zachary Cameron effective as of January 2, 2024. Approved 5-0-0.

#### **9-M. MOBILE RADIO PURCHASE**

The Police Department needs to purchase another encrypted radio for the squad as the county will be changing over to an encrypted transmission. **MOTION** Durhman, second Amundson to purchase the radio from Motorola Solutions for \$6,078.96. Approved 5-0-0.

#### **COMMENTS**

**City Administrator Brian Grudem** updated the Council on the sidewalks completed with the SafeStep program. He told them he will be asking for the Mill and 6<sup>th</sup> street reconstruction to be set out for bid at the first meeting in January. A meeting will be held for the project will be held with residents affected by the project on February 7<sup>th</sup>. The migration from the computer server to the Cloud is in process and there will be a decision to be made on managed IT services soon.

#### **Public Works Director Mike Olson**

Said the PLC at the Wastewater Treatment Plan has been installed. He thanked the staff for the smooth installation and said the bypass went extremely well.

The meeting was adjourned at 6:56pm.

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City Administrator Brian Grudem