

CITY OF FOLEY, MINNESOTA  
CITY COUNCIL MEETING – August 6, 2024

The Foley City Council held their regular meeting on Aug. 6, 2024, at 5:30 p.m. at Foley City Hall.

Members Present: Councilmembers Jeff Gondeck, Deb Mathiowetz, Jack Brosh, Gary Swanson, and Brandon Voit.

Members Absent: None

Mayor Jack Brosh presided and called the meeting to order at 5:30 p.m.

The pledge of allegiance was recited.

Ashely Bukowski, City Attorney, asked the council to add Resolution 2024-19 under item #8 on the agenda to allow for summary publication for the franchise fees to avoid extra expense.

Motion by Gondeck, seconded by Swanson, to approve the agenda with the added change.

Motion carried, unanimous.

Motion by Gondeck, seconded by Mathiowetz, to approve the consent agenda.

- Approve minutes of July 9, 2024.
- Approve closure of 4<sup>th</sup> Avenue N from Dewey to Main and also city owned parking lot on September 22, 2024 for car show (10am-2pm) ~ contingent on county approval.
- Approve welcome sign contract.
- Accept retirement of Firefighter Rick Herbrand.
- Adopt Resolution #2024-17 Accepting Donations.
- Adopt Resolution #2024-18 Accepting Donation.
- Approve payment of bills.

Motion carried, unanimous.

**Mayor's Comments and Open Forum**

No one spoke.

**Wastewater Regionalization Project Update**

Jared Voge from Bolton & Menk gave an overview to the council and recommended approval of Payment Estimate #20 for \$580,401.84. The estimate includes work completed through July 26. The project is now at 94% completion. Contractor is wrapping up a few items. Crews are working on controls programming on the St. Cloud end. Crews are continuing to make progress toward start up estimated at some time in September. Discussion and questions followed.

Motion by Mathiowetz, seconded by Voit, to approve Pay Estimate #20.

Motion carried, unanimous.

### **EDA Report – Downtown Façade Grant Program Applications**

Sarah Brunn, City Administrator, gave an overview of the Economic Development Authority (EDA) report. The board recommended approval of three of the applicants (Cross Center, Foley Country Floral, and The Insurance Shoppe) and tabled the application from Dombrovski Meats while they waited for more information. The EDA also asked the council for an additional \$20,000 to replenish the program's funds.

Gondeck stated that it was good to see a program going well and expected more applications to come in. The EDA needed more information from Dombrovski before a decision could be made. Brunn added that there is a little more than \$2,000 left in the fund after these three applicants are approved. The EDA was making the formal request now for additional funds so it can be discussed at the budget workshop on Aug. 20. Discussion and questions followed.

Brunn stated that staff recommends that the EDA still take new applications and present to the council so that interest is tracked.

Motion by Voit, seconded by Swanson, to approve the Façade grant applicants – Cross Center, Foley Country Flora, and The Insurance Shoppe.

Motion carried, unanimous.

### **Public Hearing – Franchise Ordinances and Agreements**

Bukowski gave an overview to the council regarding Ordinances 483 – 486 for the gas and electric franchise fees and agreements with Xcel Energy. She explained the agreements set an expectation with the city and the utility provider for operation, construction, and maintenance, in the right-of-way.

The city is allowed to collect franchise fees and the utility imposes the fee on the end consumer. The fees are used to defray cost of utility operation and would be applied to anyone receiving gas or electric services within city limits. The agreement lays out the terms for anyone using the right-of-way. There is a provision that the parties will discuss if there is a safety concern, but it doesn't say who is responsible. Xcel must present liability insurance. There is a separate agreement with East Central Energy. By law, the city must collect the same fees from both utilities. Questions and discussion followed.

Brunn added that the city has never collected franchise fees before. Many cities have franchise fees. They are not specific to property owners. People who don't pay property taxes will still pay the franchise fees on their gas/electric services they receive. More questions and discussion followed. The fees would be in place for upwards of 20 years – could be renegotiated sooner.

Bukowski explained what the fees could be used for. Brunn added that there have been issues with abandoned utility lines. The fees are estimated to bring in \$75,000 per year and would be in place by Jan. 1, 2025.

Brosh closed the regular meeting and opened the public hearing on Franchise Ordinances and Agreements for Xcel Energy at 5:46 p.m.

No one spoke.

Brosh closed the public hearing and resumed the regular council meeting at 5:47 p.m.

Motion by Voit, seconded by Swanson, to adopt Ordinances 483, 484, 485, 486 (Xcel Gas/Electric Franchise Fees and Agreements) and Resolution 2024-19 for the summary publication.

Motion carried, unanimous.

## **Department Reports**

### **City Attorney**

Bukowski gave an overview to the council regarding the joint powers agreement with Benton County and the regulation of cannabis. She explained that the city can enter an agreement with the county to have them in the regulator role. She said she would work with staff on the language of the agreement and then present at a future meeting. Bukowski stated the moratorium on cannabis manufacturing/distribution is still in place and will expire on Jan. 1, 2025, unless the council votes to lift it earlier. No one can register their business with the city yet. There haven't been any inquiries at this time.

### **Police Department**

Chief Katie McMillin shared with the council she'd been reading about cannabis management and there is a guide available for local governments. She explained that currently anywhere there is not currently a moratorium they are accepting applications for social equity candidates through Aug. 12. Benton County also has a moratorium in place. Question and discussion followed.

McMillin also gave an overview of the July stat report. There were 395 calls in July. Speeding was up. Accidents, thefts, and animal calls were down. Disturbing the peace was up because of fireworks. She also shared that she'd been doing a lot of research for the squad for next year and will send her findings in an email next week. After speaking with an electrician, the downtown power grid needs to be looked at to ensure it could handle a charging station. A level 3 charger which would be preferred for the squads would cost \$75,000. The electrical bill would also increase.

### **City Engineer**

Jarod Griffith, City Engineer, gave an overview to the council. The 2025 road project is moving forward. The pedestrian crossing on Broadway Avenue is still under warranty and will get fixed.

### **Public Works and Fire Department**

Mark Pappenfus, Director of Public Works, presented two quotes for crack filling and chip

sealing and recommended the quote from Allied Blacktop Co. for \$88,885.00. Discussion and questions followed.

Motion by Voit, seconded by Swanson, to approve the quote from Allied Blacktop.

Motion carried, unanimous.

Pappenfus also shared with the council that it was time to renew the fire contracts with the townships. The meeting will be at the fire hall. He asked the council to be available for a September or October meeting. A minimum of three councilmembers would be needed to attend. Discussion followed. The meeting was tentatively scheduled for Oct. 15 at 7 p.m.

### **Administrator**

Brunn gave an overview to the council. The deadline for the non-compliant rental properties was today. She requested the council permission to move forward with prosecution of the two properties. Both are actively renting the properties without a rental license for some time. Discussion and questions followed.

Bukowski stated she would reach out to the owners a second time and give them seven days to submit an application. The council could choose to go through criminal or civil prosecution. The city is seeking compliance with the rental code. Discussion and questions followed.

Motion by Voit, seconded by Mathiowetz, to proceed with prosecution of rental properties in violation of the city's rental ordinance.

Motion carried, unanimous.

Brunn also asked the council for permission to waive the late fees for water/sewer accounts for July because of issues with the new account numbers in the online payment portal. Many residents paid the wrong amount on the water bills because they did not follow the instructions posted on the main page to sync their new account number. Staff did find a workaround but a number of accounts will still be affected so are requesting one more month of late fee waivers.

Motion by Voit, seconded by Gondeck, to waive the water/sewer late fees for July.

Motion carried, unanimous.

Brunn also shared the state primary election would be on Aug. 13. Staff is also working on lots of inquiries and questions about housing and development. Staff is working on budget information.

### **Old Business**

None.

### **New Business**

Gondeck gave an overview from the township meeting. The City of Rice has a new development of 47 units. This is their last development since they are running out of room. He also said the council should definitely look at the joint powers agreement with the county for the cannabis. The commissioners are still in discussion regarding the building of the new courthouse. There was also discussion on the assessor's office and township roads right-of-way.

Brunn reminded the council they would meet for the budget workshop in two weeks.

### **Mayor's Comments and Open Forum**

No one spoke.

Motion by Gondeck, seconded by Voit, to adjourn.

Motion carried, unanimous.

Meeting adjourned 6:19 p.m.

### **Council Workshop Session – Housing Projects**

The council held a workshop session regarding the south side housing project. After much discussion on having developers or the city itself act as the developer they determined they would like to have staff prepare an RFP to solicit proposals from developers and consider that option first vs. the city do it. Staff will try and get something ready for consideration at the August 20<sup>th</sup> meeting.



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Sarah A. Brunn, Administrator  
(Minutes By: Sara Judson Brown, Administrative Assistant)