

CITY OF FOLEY, MINNESOTA  
CITY COUNCIL MEETING – November 4, 2025  
RECONVENED – November 7, 2025

The Foley City Council held its regular meeting at 5:30 p.m. on November 4, 2025, at Foley City Hall.

Members Present: Mayor Brandon Voit, Councilmembers Jeff Gondeck, Deb Mathiowetz, Gary Swanson, and Stephanie Lloyd.

Members Absent: None

Mayor Voit convened the meeting at 5:30 p.m.

The pledge of allegiance was recited.

Motion by Swanson, seconded by Gondeck, to approve the agenda.

Motion carried, unanimous.

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

- Approve minutes of October 7, 2025.
- Adopt Resolution #2025-30 Accepting Donation.
- Adopt Resolution #2025-32 Foley PFA Grant Anticipation Note for 2025 Lead Service Project.
- Approve payment of bills.

Motion carried, unanimous.

**Mayor's Comments & Open Forum**

Debra Olson, 600 Dewey Street, gave an overview to the council regarding her Facebook post on the Foley Community page. She said the reason for her post was because people asked why the sewer part was higher than the water part. Olson spoke to Sarah Brunn, the City Administrator, and then changed her post to include a disclaimer that she was not implying the bill calculation was wrong, but rather encouraging people to review their bills and call City Hall with questions. Olson also said that people were asking her what kind of seeding will be put down on the Northside project. With the increased water rate, they won't want to water the grass because they'll have a larger water bill.

Voit gave an overview of the Council Conversation meeting that was held on Oct. 31. He said the councilmembers who attended got some great feedback and comments. A total of seven residents attended. The next one is scheduled for Nov. 17. Only two councilmembers attend the meetings to avoid quorum. He thanked everyone for participating and said future events were being planned.

**Public Hearing – L.E.I. Packaging LLC – Conditional Use Permit, Variance, Site Plan Review**

Voit closed the regular council meeting at 5:35 p.m. and opened the public hearing on L.E.I. Conditional Use permit.

No one spoke

Brunn stated that comments from MN Dot were provided in the council packets. There were no concerns from MN Dot.

Voit reconvened the regular meeting at 5:36 p.m.

Motion by Swanson, seconded by Voit, to adopt Resolution #2025-29 Approving L.E.I. CUP, Variance, Site Plan.

Motion carried, unanimous.

**Public Hearing – L.E.I. Packaging LLC – Submitting Application to Minnesota Investment Funds (MIF)**

Amanda Othoudt, Executive Director Benton Economic Development, gave an overview of the request from L.E.I. The memo is in the council packet along with the resolution. The proposal from L.E.I. Packaging is for an equipment and facility expansion at the old Kent Foods Property (PouchTec). LEI is seeking support from MIF as part of their sustainable manufacturing initiative.

The proposal is based on their Chisago City operations. LEI is a leader in sustainable molded packaging from recycled materials. The Foley operation will make egg cartons. Othoudt gave an overview of the tour of the facility in Chisago City along with Brunn. The Foley facility is a good fit, but will require a build out of the production line. LEI submitted to request forgivable loan funds to help finance the upgrades at the existing facility. Expansion includes 13,000 square foot and equipment. It will add 25 new jobs to Foley over 1-2 years. Pay will average \$32 per hour. Rice Companies will lead construction of the expansion. Total investment of the first phase is \$12.4 million. LEI is seeking funds of \$450,000. If council approves it will go to the state for final approval. The city enters in agreement with the State of Minnesota. The state lends the city the funds to then lend to LEI. The loan agreement is between the city and the company. If the company fails to meet the guidelines, the city would be the intermediary to collect the funds if claw back is ordered.

Questions and discussion followed. Gondeck stated that both the EDA and the Planning Commission reviewed and saw no issues. Both felt it was a great step for Foley. Voit added that there was no liability to the city. The city is not paying the MIF loan.

Voit closed the regular meeting at 5:46 p.m. and opened the Public Hearing.

No one spoke.

Voit re-opened the regular meeting at 5:47 p.m.

Motion by Gondeck, seconded by Lloyd, to adopt Resolution #2025-28 Application for MIF for LEI Packaging LLC.

Motion carried, unanimous.

**Public Hearing – 2025 Northside Improvement – Final Assessment Hearing**

Jarod Griffith, City Engineer, gave an overview of the final assessments and project scope for the public hearing. Original project numbers when first discussed were estimated to be \$5.1 million. Final summary of costs were \$4.8 million. Over all project costs for the city were lower and total project cost was lower. The assessments were set at 20-year term at 5% interest. Pre-interest full or partial payments can be paid to the city over the next 30 days. The rest will be assessed to property taxes. Questions and discussion followed.

Voit closed the regular meeting at 6:02 p.m. and opened the public hearing.

Russ Jurek, 431 4<sup>th</sup> Avenue N, expressed concerns that the work would not be done in time for winter. He is unable to access his driveway. All the front yards are gauged out. He also expressed concerns about sidewalks this winter. He also said the installation of new gas lines tore up the alley that's now patched with sand holes. There are tree trunks in his yard that were not taken out. Wasn't sure if he was assessed for water/sewer or if charged for correction. Not a thorough explanation of assessment.

Lynn Peterson, 401 3<sup>rd</sup> Avenue N, agreed with the first speaker. She also stated that she expected the assessments to be paid for after the work was completed. She also expressed concerns that her daughter who lives at the property still can't access her driveway and the sidewalk is not complete. The yard is obliterated.

Jason Wahl, 431 3<sup>rd</sup> Avenue, wanted the council to know that not all the contractors were good. Appointments were made and not kept. He had a bad interaction with a contractor who was not easy to work with. The contractor asked him to leave his house unlocked. He can't get into his driveway.

Councilmember Mathiowetz, 520 Broadway Ave N, expressed many of the same concerns as the previous speakers. She can't get into her driveway yet. She has sidewalks. She said it was frustrating to not know when the work is going to be completed. She said she knew the weather isn't always friendly. It's been difficult to talk to anybody. She can be home at any time of day.

Voit said that the public hearing for the Northside Project assessments will continue when the council reconvenes on Friday, Nov. 7, at 8 a.m.

Motion by Gondeck, seconded by Voit, to resume the public hearing on Friday, Nov. 7, at 8 a.m.

Voit re-opened the regular meeting at 6:12 p.m.

Brunn gave an overview to the council on the special assessment deferral policy option. The state allows the city to adopt if certain conditions are met. It is up to the council if they want to allow deferrals. Residents would have to apply and meet conditions. The city would still have to pay the bonds and there would be additional administrative work to do the deferral and manage.

Adam Ripple, City Attorney, provided more information. There are two components which are typical: income threshold and asset threshold. If residents have significant savings, they wouldn't qualify. The state statute says residents must be a minimum of 65 years old, but does not have a requirement on assets. The city has discretion.

Discussion and questions followed. Brunn encouraged the council to make a decision by Friday when the assessments are approved so there will be time to be ready to turn over to the county. Brunn estimated possibly 15 people might qualify based on age only. More discussion followed.

Ripple said that selling the property or death of the owner would trigger repayment. The city would need to record evidence in the title so subsequent owners were made aware. Brunn said the council could wait until Friday to motion to approve. Gondeck and Lloyd stated they would like to defer the decision until Friday. Brunn added that there is an administrative process that would need to be done every year based on the county's assessment system. Ripple added that if payments are not made and interest accrues then the payoff amount could be double in 20 years and could be a bigger problem for residents

### **Public Hearing – I/I Assessments**

Voit closed the regular meeting at 6:24 p.m. for the public hearing on I/I assessments.

No one spoke.

Voit re-opened the regular meeting at 6:24 p.m.

Motion by Mathiowetz, seconded by Gondeck, to adopt Resolution #2025-31 Assessing Unpaid I/I Surcharges

Motion carried, unanimous.

### **Department Reports**

#### **Police Department**

Chief Katie McMillin gave an overview of the call report for October. The department responded to 388 calls. Equipment violations were up. Accidents were down. School calls were down. Medicals and thefts were down. Halloween safety events were held at the public school and St. John's. The department completed and passed the post board audit. All training is up to date and policies are current. The post board review is conducted at random every 3-5 years. Cocoa with a Cop will be held on Dec. 7 for K – 3<sup>rd</sup> grades at the Foley Elementary School. The new squad is in Minnesota and is getting prepped. Hoping to have in service by Dec. 1.

Lloyd added that her daughter received a glow stick from Officer Cody on Halloween and was thrilled.

### **City Attorney**

Ripple had nothing further for the council. He is working through the nuisance violations for one property.

### **City Engineer**

Griffith gave an overview on the 2025 Northside Improvements progress and presented Pay Request #5 for Kuechle Underground for \$772,923.03. Discussion and questions followed. Griffith addressed the concerns from the resident who had a bad experience with the contractor. He said he would address it with the contractor. Griffith also stated that the plan calls for trees to be planted in the spring and that specs include spraying water for grass seed.

Motion by Swanson, seconded by Gondeck, to approve Pay Request #5 for Kuechle Underground for \$772,923.03.

Motion carried, unanimous.

Griffith presented Pay Request #4 for Levanen Underground for the 2025 Lead Service Project for \$38,058.90.

Motion by Gondeck, seconded by Mathiowetz, to approve Pay Request #4 for Levanen Underground for the 2025 Lead Service Project for \$38,058.90.

Motion carried, unanimous.

Griffith added that the punch list will be open until spring. He will provide another project update when the council reconvenes on Friday.

Voit recessed the meeting for a brief intermission at 6:42 p.m.

Voit reconvened the meeting at 6:45 p.m.

### **Public Works**

Mark Pappenfus, Director of Public Works, gave an overview to the council. He asked the council that for future construction projects that the city not limit contractors to only work from 7 a.m. – 7 p.m. Let them work late if they can. Pappenfus added that the contractor is working through the punch list for the wastewater project. The flow is currently at its lowest. The department is also working on fall projects – flushing and sweeping. Discussion and questions followed.

### **Administration**

Brunn gave an overview on the employee/personnel meeting regarding the city employee health insurance. Employees health plans will migrate to the higher deductible plan to fit within the city budget. Supplemental benefits are also being offered if anyone is interested. Brunn said she will

meet with the Police Department's union steward. Discussion and questions followed. Brunn added that the Truth in Taxation (TNT) meeting is scheduled for Dec. 2 along with finalization of the budget. The proposed fee schedule will also be presented in December. Gondeck added that the staff did a great job with the health insurance meeting.

### **Old Business**

None.

### **New Business**

Gondeck shared that it is No Shave November in support of the American Cancer Society.

Swanson congratulated Chief McMillian and the Police Department for passing the post board review.

Voit recessed the meeting at 6:57 p.m. until the council reconvenes at 8 a.m. on Friday, Nov. 7.

### **Voit reconvened the meeting on Nov. 7 at 8 a.m.**

**Public Hearing Continuation – 2025 Northside Improvements – Final Assessment Hearing**  
Motion by Swanson, seconded by Gondeck, to re-open the public hearing for the 2025 Northside Improvements – Final Assessment Hearing at 8:00 a.m.

Motion carried, unanimous.

Kim Latterell, 511 Broadway Ave N, asked about his assessment of \$1,100 for the one inch water pipe from the shutoff to the main. He thought it was the city's responsibility.

Griffith explained that the pipe from the main to the curb was assessed for a portion of the work. Has been that way since 2003 and is the cost for replacing the service because the new water main was relocated and needed to be refit at the curb. Pappenfus added that the pipe was also upsized from a ¾ inch to a 1 inch service. The assessment covers the main to the valve and the valve itself.

Discussion and question followed. Griffith stated that next week contractors will start dirt work and asphalt driveways.

No one else spoke.

Voit reconvened the regular meeting at 8:06 p.m.

Brunn gave an overview of Resolution #2025-34 Determining I&I Compliance for Sewer Service Laterals on 2025 Northside Project.

Motion by Gondeck, seconded by Swanson, to adopt Resolution #2025-34 Determining I&I Compliance for Sewer Service Laterals on 2025 Northside Project.

Motion carried, unanimous.

Carrie Rhoda, 410 4<sup>th</sup> Avenue N, spoke in support of the Deferred Assessment policy for the Northside project. She stated the neighborhood is not expensive and expressed concerns for her older neighbors. She urged the council to consider the policy.

Brunn gave an overview of the proposed policy. Current proposal states income level could not exceed two times the poverty levels from the most recent threshold for household size. It also includes eligibility based on assets. If adopted, the other residents in town would have to cover the differed assessments. The city would still have to make the bond payment each year. The policy would require the homeowner to at least pay the yearly interest.

Gondeck stated he didn't think it was right for the other tax payers to have to cover the deferment, especially after the last budget cycle.

Discussion and questions followed. Brunn stated 70% of the entire project is being shared among all city residents.

Swanson stated he was compassionate to the residents, but didn't think it was fair for other tax payers to have to cover deferments.

Mathiowetz stated she was in favor of the deferment policy. She stated she thought the city could handle the few deferments that were estimated.

Discussion continued. Brunn explained the process if the deferment policy passed. Homeowners would have to apply and if approved would have to pay the yearly interest. Staff would have to calculate and submit the deferments to the county every year. Deferments would have to be recorded on deeds. Applications would need to be submitted no later than next week.

Lloyd stated she was in favor of the deferment policy.

Brunn stated that if adopted the deferment policy would stay in place for all projects moving forward unless the council voted to remove it. More questions and discussion. She added that the deferment could make the final payoff worse for some homeowners. The total amount would also come due if the property was sold.

Motion by Voit, seconded by Mathiowetz, to adopt Resolution #2025-33 Deferred Assessment Policy.

Gondeck expressed concerns that a deferment policy went against the council's goals of developing senior housing. More discussion.

Motion carried 3-2. Mathiowetz, Voit, and Lloyd voted yes. Gondeck and Swanson voted no.

Brunn gave an overview of Resolution #2025-35 Adopting 2025 Northside Improvements Final Assessment Roll. The terms are for 20 years at 5% yearly interest. Interest free full and partial payments would be accepted at City Hall for the next 30 days.

Motion by Voit, seconded by Lloyd, to adopt of Resolution #2025-35 Adopting 2025 Northside Improvements Final Assessment Roll.

Motion carried, unanimous.

Gondeck stated that while the vote was split on the deferment policy he would stand by and support the council's decision.

Motion by Gondeck, seconded by Lloyd, to adjourn.

Motion carried, unanimous.

Meeting adjourned at 8:45 a.m.



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