

CITY OF FOLEY, MINNESOTA
CITY COUNCIL MEETING– September 1, 2026

The Foley City Council held its regular meeting at 5:30 p.m. on Sept. 1, 2026, at Foley City Hall.

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

Members Absent: None

Mayor Voit called the meeting to order.

Pledge of allegiance.

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

Mathiowetz mentioned that her name had been spelled wrong in the minutes in the last couple months. Staff will correct.

Motion carried, unanimous.

Community Time Capsule and Local Highlights

- A collection of photos and items was prepared to reflect Foley’s business district evolution, downtown facade improvements (grant amounts of five grand), Lions Park activities, local clinics (two clinics, plus veterinary, dental, and chiropractors), North Side project, veterans memorial, a local “big sausage,” and the winery.
 - The facade grant program was praised as “little money for a big benefit,” with visible improvements like painting and awnings.
 - The items aim to portray community life in a fun but respectful way, with a resource guide included and an invitation for letters.
- Participants acknowledged the long-term nature of the time capsule, noting excitement for discovery approximately seventy-five years from now and that most current attendees will not witness its opening.
- The time capsule is expected to go on display at the library; contributors were thanked for their efforts.

Public Comments and Community Issues

- Data Center Moratoriums vs. Proactive Planning
 - A resident urged the council to take a proactive approach rather than adopting moratoriums, recommending a “wish list” of

community benefits and clear guidelines for potential data centers.

- Property Recording Errors in Lang Estates Area
 - A resident described significant property line discrepancies affecting refinancing and ownership records, including a one-foot strip intended for highline wires that appears to have expanded to thirty-five feet, impacting multiple properties near Highway 25 and County Road 51.
 - City staff acknowledged awareness since 2021, having requested correction from the county; the matter is characterized as a county recording and Beacon legal description issue under county authority.
 - The city committed to continuing inquiries and keeping the issue a priority, while clarifying they cannot directly change county maps or legal descriptions.

Zoning, Subdivision, and Development

- Public Hearing and Approval (120 Glen Street)
 - Applicant requested to extend an existing lot from 120 to 145 feet by adding 25 feet to the south, facilitating a driveway turnout to avoid backing onto Glen Street and removal of a tree; plans include tearing down the existing house when building proceeds.
 - A small strip (approximately five by twenty feet noted; an acre of area in total currently zoned light industrial nearby) would be rezoned to R1 along with the lot to align with surrounding residential uses.
 - City staff supported rezoning to R1 to prevent incompatible future uses and maintain flexibility for potential later rezoning (e.g., multifamily or commercial on the highway side).
 - The council reconvened at six o'clock p.m. and adopted Resolution 2026-24 approving the subdivision and rezoning; Planning Commission reported no concerns.

Fire Relief Association Annual Update

- The treasurer reported a surplus in the pension fund and noted a few firefighter benefit payments in the projected expenses.

- Based on mid-year figures, there is potential for approximately a \$200 per-year benefit raise effective January 1, pending third-quarter reports and updated state aid numbers.
- State aid typically increases; the current report used last year's figure due to timing, which may be adjusted higher later. Final decisions will be made after third-quarter data to ensure accuracy.

Event Parking and Wellhead Property Risk

- Request to Use City Property for Rodeo Parking
 - A rodeo company is requesting temporary use of city property for parking for a private, one-day rodeo event scheduled for September 26 in Gilmanton Township.
 - The event itself, which includes activities like bull riding and barrel racing, will take place entirely on private property.
 - The primary goal for using the city land is to ensure public safety by providing organized parking and preventing attendees from parking along the county road or across the four-lane Highway 23.
 - The company clarified that it does not intend to charge attendees for parking.
- Terms and Conditions of Use
 - Requester stated its willingness to pay rent for the one-day use of the property.
 - The company is prepared to provide a written agreement, proof of insurance, and any other required documentation.
 - They committed to leaving the property in its original condition and following any conditions set by the city.
- Council Concerns and Discussion
 - Wellhead Protection: The company acknowledged the importance of the wellhead protection area on the property and offered to rope off or barricade any sensitive areas identified by the city to ensure compliance. They argued that temporary auto parking poses no more risk than current haymaking activity.
 - Future City Projects: The use is described as temporary and non-intrusive; with the belief it will not interfere with any future city projects that may have federal or state funding.
 - Financial and Tax Implications: The council discussed whether to charge rent for the property.

- It was suggested that collecting any money for the use of the lot could change its taxable status.
 - One council member stated that the focus should not be on making money from the event.
- Decision and Risks
 - The council formally denied the use of the parcel due to the severe risks of damaging the underlying aquifer and wellhead. City administration and legal counsel strongly advised against the parking plan, emphasizing that any alternative use of the property could jeopardize ongoing federal and state funding for a new wellhead and water treatment project.
 - It remains unclear how event attendees will safely cross the highway, as the shuttle was deemed too expensive and parking on the city parcel was denied.

Public Safety and Police Department Updates

- Police Department Monthly Report
 - August statistics showed “twelve” child incidences compared to “three” the prior month, alongside increases in medicals, domestics, assaults, and disturbing the peace. City ordinance violations decreased, and police are working with public works regarding unmowed properties.
 - With school starting next week, the Police Chief and the School Resource Officer will be stationed on campus to ensure safe student drop-offs and traffic control during the first week.
- Police Radio Equipment Purchase
 - Encryption Mandate: The FBI and state mandate a transition to encrypted radios, which the local sheriff’s office intends to complete by 2029. The city must upgrade equipment to maintain communication capabilities with the county.
 - Purchase Approval: The council approved a motion to purchase six portable radios and three mobile radios for \$40,810.74. Buying now allows the city to take advantage of state bid and promotional pricing.
 - Budget and Grants: The remaining three radios will be purchased after the city receives the results of a grant application that could provide up to \$10,000. This phased purchasing strategy reduces the originally budgeted amount.

Infrastructure Projects and Change Orders

- South Fairway Estates Change Order

- Project Expansion and Realignment: Change order number two for the South Fairway Estates project totals \$85,895.46.
 - Cost Breakdown: Approximately half uses contingency funds to realign the trunk sanitary sewer and water main further away from the St. Cloud force main due to stability concerns. The other half extends the planned endpoint of the trunk 144 feet further east, completing a portion of Phase Two ahead of schedule.
 - A motion was made and approved for Change Order #2 for the South Fairway Estates project.
 - The costs are associated with shifting and realigning the project to the north due to conditions around the sewer forcemain. This particular issue is not expected to recur in Phase Two.
- South Fairway Estates – Pay Application #2
 - Pay Application #2 for the South Fairway Estates Phase One project was approved.
 - The payment request is for \$249,051.97, representing approximately 33% of the total project. A 5% retainage is still held.
 - The project is considered on schedule. All trunk and 8-inch sanitary sewers, as well as the water main, have been installed.
 - The tentative schedule for paving is the last two days of September and the first two days of October.
 - 2026 Lead Service Replacement Project – Pay Application #1
 - Pay Application #1 was approved in the amount of \$102,117.40 (about 27% of the project). As of 2026-08-14, 12 of 43 services were replaced; currently, about 27 of 43 are complete.
 - The project is behind the substantial completion schedule but on track for final completion, with an estimated three weeks of work remaining.
 - The contractor is averaging less than two service replacements per day due to difficulties with soil conditions.
 - Some communication issues with residents were noted, but the overall work quality is considered satisfactory. A homeowner expressed dissatisfaction with how the project was initially “sold,” with plans to discuss this later.
 - 2025 Lead Service Project – Additional Engineering Services
 - Additional construction engineering services for SEH were approved for an amount up to \$9,700.
 - The original estimate of 34 hours for construction observation was exceeded, with current hours at 78, due to the contractor not completing the estimated two services per day.

- The additional engineering costs are grant-eligible and will be paid from the water fund, with reimbursement requested from the state.
- Concerns were raised about underestimating project hours and the need for accurate estimates on future projects. The council stressed the importance of having a strong engineering partner for upcoming development.

Road, Parking Lot, and Highway Maintenance

- Road and Parking Lot Project Update
 - The council discussed moving forward with their portion of a road repair project in conjunction with the county.
 - Funds are available in the street maintenance fund to cover the city's share.
 - To avoid delays due to the fall timeline, the council was asked to pre-approve moving forward based on a rough cost estimate, with a formal quote and change order to follow.
 - Engineering is being handled by the county; city engineers will review quantities to avoid redundant work. The city will be billed for its portion of engineering costs.
 - The project includes an upgrade to an adjacent parking area to increase on-site parking, aligning with city planning goals.
- Highway 23 Blacktop Issue
 - A settling blacktop section on Highway 23 near the north side project was clarified as a MnDOT subgrade issue, not caused by the city's project.
 - MnDOT responsibility: their maintenance team measured the area and plans to perform microsurfacing in fall.
 - The city will monitor settlement and communicate with the contractor.
- Fifth Avenue and Main Street Resurfacing Project Update
 - Preliminary county cost estimate: \$53,844; awaiting detailed specifics on coverage area and cost-sharing breakdown.
 - Estimate does not include base material; the city intends to recrown the road to the correct grade, which may add cost.
 - Small additions may include addressing a bad seam on the east end of the project area.

Public Works Purchases and Approvals

- Gateway Installation for Water Meters

- Approval sought for a quote from Ferguson Waterworks for \$24,999 to install a third gateway for the new Neptune water meter system.
- The city already possesses the gateway; the quote is for installation only.
- The new gateway is needed to ensure reliable daily meter readings on the south side of town, especially with new developments. The price is under the bid threshold.
- Utility Tractor Replacement and Public Works Vehicle Purchase
 - Proposal to purchase a new Kubota compact medium-duty utility tractor for \$61,179.07 via Sourcewell bid, including trade-in of the 2005 New Holland TN60 and its proprietary broom; the new tractor includes a front broom for trail maintenance.
 - The council discussed and approved the purchase of a Kubota public works vehicle for \$61,179.07, under the budgeted \$63,000 in the CIP.
 - Use cases include sweeping one-inch snows in winter and various mowing tasks in summer.

Administrative, Finance, and Contracts

- Township Contract Rate Amendment
 - Concerns from townships about rising contract costs tied to increasing property valuations were discussed.
 - A motion was approved to amend the three-year property protection contract, locking the 2027 contract rate at the 2026 level for all contracted townships and the city.
 - To qualify for the locked rate, townships must submit payment in full by June 30. A letter will be sent to explain the situation.
 - The council acknowledged this is a one-year hold and rates will likely increase when the contract is renewed at the end of 2027.
- Loan Servicing Agreement with CEE
 - The council approved a loan servicing agreement with the Center for Energy and Environment (CEE) for the Tier 2 rehab program.
 - CEE will handle loan processing, payment collection, and account management; they are recommended and vetted by staff.
- Discussion on Deduct Meters for Sprinklers

- A request from a public entity to allow deduct meters for sprinklers (reducing sewer charges for water not entering the sewer system) was discussed.
 - Concerns about broader pressure from commercial entities and residents were noted.
 - The discussion was tabled due to unknowns, including future water treatment facility costs and the impact of the residential winter lock rate. Staff will not proceed with developing an ordinance at this time.
- 2027 Fee Schedule Review
 - The “transient merchant” fee for food trucks remains \$100 for a yearly permit allowing multiple operations throughout the year.
 - While other cities may charge more, the consensus was to keep the fee reasonable to encourage legal operation and licensing.

Budget, Levy, and Land Purchases

- Council Meeting Calendar and October Leadership Coverage
 - Non-election year calendar noted as straightforward.
 - A member will be absent for the October meeting; Jeff requested to serve as acting mayor for the October 6 meeting to ensure leadership coverage.
- Second Half Contract-for-Deed Approval
 - The council reviewed and approved the second half of a contract-for-deed for a land purchase, with terms nearly identical to the first half.
 - The second half covers smaller acreage with the same payment amount, resulting in a shorter payoff timeline.
 - The family selling the land agreed to the terms; motion carried.
 - Payoff Timeline
 - The first half was larger; the second half is smaller, allowing faster payoff.
 - Overall payoff is confirmed to be in 2030.
- 2027 Budget Update and Proposed Tax Levy (Resolution 2026-23)
 - Proposed levy increase: 7.69 percent as previously discussed.

- Does not yet reflect taxable income from approximately \$4 million in new commercial construction; impact realized once valuations are finalized.
- Tax Capacity and Valuations
 - County assessor is processing valuations; new construction will increase capacity to spread the levy.
 - Nearly \$4 million in new construction is positive, with a significant portion to be commercial.
- Expected Impact and Flexibility
 - Members guesstimated an overall impact “about five and a half,” indicating the new construction will absorb some of the increase.
 - The council can reduce the levy later but cannot increase it after adopting the resolution.
 - Resolution 2026-23 adopted, setting the proposed 2027 tax levy at 7.69 percent; motion carried.
 - Comparative context: other cities (e.g., St. Cloud) at 12.6 percent; many double-digit increases in the area.
- Capital Considerations and Growth
 - Prior cuts to capital items acknowledged; need to be careful about investments.
 - Anticipated residential growth (e.g., houses on the south side and Fairway Estate) may further expand the tax base.

Data Centers: Information Session Insights

- Attendees reported data centers are willing to work with cities and that cities, planning commissions, and zoning commissions hold control through ordinances.
 - Proactive ordinance development was emphasized to define what the city wants.
- Site and Resources
 - A member suggested 52 acres in an industrial park could be suitable for such development.
 - Water usage was raised as a concern, with options discussed that helped clarify the issue.
- Follow-Up Information

- A summary was sent to those who did not attend, and more information will be distributed.

Council Workshop Timing and Year-End Scheduling

- The council discussed scheduling a workshop given ongoing topics and a “living document” of ideas to review.
- They proposed pairing a workshop with any additional year-end meeting added for approvals, to make efficient use of time.
- The idea will be kept on the radar and explored if a second meeting is added near year-end.

Motion by Lloyd, seconded by Voit, to adjourn.

Motion carried, unanimous.

Meeting adjourned at 7:30 p.m.



Sarah A. Brunn, Administrator
(Minutes By: Sara Judson Brown, using AI recording device)