

JANUARY 17, 2023 MEETING MINUTES OF THE CITY COUNCIL

A meeting of the Cottonwood City Council was held on Tuesday, January 17, 2023, 7:00 pm, in the Cottonwood Fire Hall with Corey Moseng, Joel Dahl, Shannon Geihl, Mike Horner, and Shawn Myers present. Also, present was Public Works Supervisor, Allen Olsen; and Lyon County Sheriff Eric Wallen. City Administrator, Teather Bliss, was absent.

Mayor Corey Moseng called the meeting to order and led in the Flag Pledge.

Oaths of Office done by Corey Moseng, Shawn Myers, and Joel Dahl.

A motion by Joel Dahl to appoint Shawn Myers as Vice President for the Cottonwood City Council. Seconded by Mike Horner. Carried.

A motion by Shawn Myers to approve the council meeting minutes from December 6, 2022. Seconded by Shannon Geihl. Carried.

A motion by Joel Dahl to approve the council meeting minutes from December 20, 2022. Seconded by Shawn Myers. Carried.

Reschedule of Public Hearing on Road Designation.

2023 OFFICIAL DESIGNATIONS

1. TRI COUNTY NEWSPAPER

Official City Newspaper for 2023

2. FIRST INDEPENDENT BANK & BREMER BANK OF MARSHALL

Official City Depositories for 2023

3. BOLTON & MENK

Official City Engineering Firm for 2023

4. KINNER & COMPANY LTD

Official City Auditing Firm for 2023

2023 OFFICIAL AUTHORIZATIONS

1. AUTHORIZATION OF THE CITY ADMINISTRATOR TO HANDLE THE FOLLOWING:

- a. Pay Regular City Bills Upon Receipt Prior to City Council Meeting
- b. Handle Idle Investments and Funds
- c. Pay Set Bond Principal and Interest

A motion by Mike Horner to approve the 2023 Official Designations and Authorizations. Seconded by Shawn Myers. Carried.

2022 COMMITTEE APPOINTMENTS & DISCUSSIONS FOR 2023

CITY COUNCIL COMMITTEES

- Public Works Committee (*formerly Water, Sewer, Parks & Rec, Solid Waste, and Streets committees*): **Shawn Myers & Mike Horner**
- Public Safety Committee (*formerly Fire, Ambulance, Law Enforcement, & Liquor committees*): **Joel Dahl & Shannon Geihl**
- Planning & Zoning: **Shawn Myers & Corey Moseng**
- Personnel: **Corey Moseng & Mike Horner**
- Economic Development: **Corey Moseng & Shannon Geihl**
- Revolving Loan & SCDP: **Mike Horner**
- Housing & Redevelopment Authority Board: **Shawn Myers**

- Finance Committee: **Corey Moseng & Mike Horner**
- Ad Hoc (*to be formed, as needed, temporarily for a special project or task*)
 - Senior Citizen Center Facility: **Joel Dahl & Mike Horner**
 - Cottonwood Lake Initiative: **Joel Dahl & Shawn Myers**

A motion by Joel Dahl to approve the 2023 Official Committee Appointments. Seconded by Shawn Myers. Carried.

DEPUTY WEED INSPECTOR: Allen Olsen

Works with Mayor & Administration to enforce the City Grass and Weed Ordinance

EMERGENCY SERVICES DIRECTOR: Dale Louwagie

Upon an emergency or public safety concern the Emergency Services Director is contacted and works in coordination with the City Administrator, City Department Heads, and other Agencies to address the issue.

A motion by Mike Horner to approve Allen Olsen as Weed Inspector and Dale Louwagie as Emergency Services Director. Seconded by Joel Dahl. Carried.

Rains Property will be tabled until February meeting.

Lyon County Sheriff Eric Wallen presented the monthly Sheriff's Office report.

Public Works Supervisor, Allen Olsen presented information to Council on tire chain prices, starting to contact companies for seal coating and crack filling, and flow meters all installed.

Administrator's Report tabled.

Joel Dahl reported for the Fire Department that he sat in on Assistant Chief interviews.

Ambulance update was that Dane would not be reapplying as Director.

Joel Dahl would like a meeting with the ambulance to discuss Cottonwood Ambulance covering North Memorial territory and how financially the Ambulance is doing.

Council reviewed the Healthcare Savings Plan Policy.

A motion by Mike Horner to approve the Healthcare Savings Plan Policy. Seconded by Joel Dahl. Carried.

Pay Equity report tabled.

A recommendation was made to the City Council to give the employees a 5% raise.

A motion by Joel Dahl to approve the 5% wage increase. Seconded by Shawn Myers. Carried.

Council reviewed Resolution 2023_0103 approving the proprietary funds budget.

RESOLUTION NO. 2023_0103 ADOPTION OF 2023 FINAL PROPRIETARY FUNDS BUDGET SUMMARY

BE IT RESOLVED, by the City Council of the City of Cottonwood, County of Lyon, Minnesota, that the information provided below is hereby approved as the 2023 Final Proprietary Funds Budget of the City of Cottonwood.

2023 FINAL PROPRIETARY BUDGET SUMMARY

DEPARTMENT	TWENTY TWO	TWENTY THREE
WATER REVENUE	\$ 265,430.00	\$ 226,730.00
SEWER REVENUE	\$ 319,780.00	\$ 856,580.00
WATER & SEWER REVENUE	\$ 585,210.00	\$ 1,083,310.00
WATER DEBT	\$ 53,253.00	\$ 66,225.00
WATER CAPITAL	\$ 26,250.00	\$ 0.00
WATER OPERATIONS	\$ 185,750.00	\$ 159,750.00
WATER EXPENDITURES	\$ 265,253.00	\$ 225,975.00
SEWER DEBT	\$ 63,409.00	\$ 85,595.00
SEWER CAPITAL	\$ 26,250.00	\$ 577,000.00
SEWER OPERATIONS	\$ 229,670.00	\$ 192,951.00
SEWER EXPENDITURES	\$ 319,329.00	\$ 855,546.00
PROPRIETARY PROFIT & LOSS	\$ 628.00	\$ 1,789.00

IN WITNESS WHEREOF, the City of Cottonwood, Minnesota, by its City Council, has caused this Resolution to be executed on its behalf by the signatures of the Mayor and City Administrator as of the date set forth below.

Adopted and passed by the City Council of Cottonwood, Minnesota this third day of January 2023.

A motion by Joel Dahl to approve Resolution 2023_0103 Proprietary Budget Funds. Seconded by Mike Horner. Carried.

A motion by Shawn Myers to adjourn the meeting. Seconded by Shannon Geihl.

FEBRUARY 7, 2023 MEETING MINUTES OF THE CITY COUNCIL

A meeting of the Cottonwood City Council was held on Tuesday, February 7, 2023, 7:00 pm, in the Cottonwood Fire Hall with Corey Moseng, Joel Dahl, Shannon Geihl, Mike Horner, and Shawn Myers present. Also, present was Public Works Supervisor, Allen Olsen; and Lyon County Sheriff Eric Wallen. City Administrator, Teather Bliss, was absent.

Mayor Corey Moseng called the meeting to order and led in the Flag Pledge.

Council reviewed the Consent Agenda consisting of Resolution 2023_0207 \$200 Donation to the Ambulance from Hanley Falls Senior Center & Resolution 2023_0207A Lakeview Booster Club Offsite Gambling.

A motion by Mike Horner to approve the consent agenda. Seconded by Joel Dahl. Carried.

Council reviewed the court ruling for the Rains property. Will address in the spring.

A motion by Mike Horner to approve the pay equity report. Seconded by Joel Dahl. Carried.

Al Olsen presented information to the Council on the Public Works Department. The Controller for Northwood lift station will be coming in a week or two, working on maintenance in shops, preparing for spring melt, and sewer meters still being monitored by Bolton & Menk.

Al presented information on a street sweeper to the Council. MacQueen had a 2023 Elgin Pelican on hand for \$256,510 – will need to act soon as the price is going up drastically. Finance option presented to the City is a lease for six years with our current sweeper being taken as a trade in. Option A is six annual payments of \$48,671.00 and Option B is six annual payments of \$49,345.72.

A motion by Shawn Myers to move forwards with Option A. Seconded by Joel Dahl. Carried.

Joel Dahl asked about the safe routes to school and who it isn't all cleared. Homeowners should be notified to clear their sidewalks.

Motion by Shawn Myers to set hearing date for Fee schedule for February 21st. Seconded by Mike Horner. Carried.

Motion by Joel Dahl to set hearing date for Naming of Road for February 21st. Seconded by Shawn Myers. Carried.

Rick Christians has issue with having to pay for sewer that is not a set rate as it has been in the past. Outstanding balance has been paid and water will remain on as long as bill stays current. More discussion needed and research from Teather.

Motion by Shawn Myers to approve the following positions within the fire department: Derek Naab, Assistant Chief; Robbie Gifford, Captain; and Andrew Praus, Captain. Seconded by Joel Dahl. Carried.

Council reviewed the Ambulance Meeting Minutes from January.

A motion by Shawn Myers to accept the resignation of Brandon Jeseritz from the Cottonwood Ambulance Service. Seconded by Joel Dahl.

A motion by Joel Dahl to approve LeeAnn Boehne as Ambulance Director and Sara Hubbard as Assistant Ambulance Director. Seconded by Mike Horner. Carried.

A motion by Shawn Myers to set public hearing for zoning variance on February 21st. Seconded by Joel Dahl. Carried.

Council discussed the community center and need to upgrade the sound system. The front speakers of the community center are crackling and at a minimum need replaced. Two quotes were obtained from Living Connected and Wireless World. The quotes included the addition of Bluetooth capability and wireless microphones. After lengthy discussion on the Bluetooth option, Joel Dahl was going to contact Scott Wernimont and report back to the Council.

A motion by Shawn Myers to move ahead with Living Connected to replace the 4 speakers. Seconded by Mike Horner. Carried.

A motion by Shawn Myers to pay the bills totaling \$39,587.21. Seconded by Joel Dahl. Carried.

A motion by Shawn Myers to adjourn the meeting. Seconded by Shannon Geihl.

FEBRUARY 21, 2023 MEETING MINUTES OF THE CITY COUNCIL

A meeting of the Cottonwood City Council was held on Tuesday, February 21, 2023, 7:00 pm, in the Cottonwood Fire Hall with Corey Moseng, Joel Dahl, Shannon Geihl, Mike Horner, and Shawn Myers present. Also, present was Public Works Supervisor, Allen Olsen; and Lyon County Sheriff Eric Wallen. City Administrator, Teather Bliss, was absent.

Mayor Corey Moseng called the meeting to order and led in the Flag Pledge.

A motion by Shawn Myers to close the regular council meeting. Seconded by Mike Horner. Carried.

A motion by Joel Dahl to open the public hearing for the naming of a public road. Seconded by Shannon Geihl. Carried.

Discussion took place over the naming of the road that runs north from Tom Christy Lane. The name of the new road would be Shoreview Pass.

A motion by Mike Horner to close the public hearing. Seconded by Shawn Myers. Carried.

A motion by Joel Dahl to open the regular meeting. Seconded by Mike Horner. Carried.

Lyon County Sheriff Eric Wallen presented the monthly activity report.

Issues reported with parking on 1st Street with parking. Cars are not being moved by 9am. Council would like to see tickets being issued to those not complying as we are trying to accommodate the tenants.

Al updated the council on the public works department. Street sweeper will be delivered by May. Letters sent out to homeowners along the Safe Routes to School about cleaning their sidewalks.

Lift station hours are off at Shoreview Lift Station. Jeseritz changed the capacitor, pulled the pump, and put in a replacement. Al took pulled pump to St. Cloud for repair – Tri State will be getting prices together for a quote on fixing the check valves and overloads for the Shoreview Lift.

Corey Moseng report that Teather Bliss will be returning part time in March and Amy is doing great in her absence.

Council reviewed the fire contracts for 2023.

A motion by Mike Horner to approve the Vallers Township Fire Contract. Seconded by Shawn Myers.

A motion by Shawn Myers to approve the Posen Township Fire Contract. Seconded by Joel Dahl. Carried.

Council reviewed 2023 permits from businesses for tobacco and waste hauling.

A motion by Shannon Geihl to approve the waste hauler permit for West Central Sanitation. Seconded by Joel Dahl. Carried.

A motion by Joel Dahl to approve the waste hauler permit for Waste Management. Seconded by Mike Horner. Carried.

A motion by Shannon Geihl to approve the tobacco license for Cottonwood Co-Op. Seconded by Shawn Myers. Carried.

A motion by Shannon Geihl to approve Ordinance 2023_01 assigning street name and address in Cottonwood. Seconded by Shawn Myers. Carried.

A Northwood resident did have issue with snow piling on yard, Al took care of it.

A motion by Shawn Myers to adjourn the meeting. Seconded by Shannon Geihl.

MARCH 7, 2023 MEETING MINUTES OF THE CITY COUNCIL

A meeting of the Cottonwood City Council was held on Tuesday, March 7, 2023, 7:00 pm, in the Cottonwood Fire Hall with Corey Moseng, Joel Dahl, Shannon Geihl, and Mike Horner present. Also, present was City Administrator, Teather Bliss, Public Works Supervisor, Allen Olsen; and Lyon County Sheriff Eric Wallen. Public Works Supervisor, Allen Olsen, was absent.

Mayor Corey Moseng called the meeting to order and led in the Flag Pledge.

A motion by Shannon Geihl to approve the consent agenda, Resolution 2023_0307B accepting \$11.00 anonymous donation to the Cottonwood Ambulance. Seconded by Mike Horner. Carried.

A motion by Joel Dahl to close the regular council meeting. Seconded by Shannon Geihl. Carried.

A motion by Mike Horner to open the public hearing for the 2023 Schedule of Fees. Seconded by Shannon Geihl. Carried.

Bliss updated the council on changes to the fee schedule. The major change was the addition of the \$500 fine for violation of the city alcohol policy on public property. No changes were made to water and sewer rates. Ambulance wages were changed.

A motion by Joel Dahl to close the public hearing. Seconded by Mike Horner. Carried.

A motion by Shannon Geihl to open the public hearing on variance request at 125 East 4th Street. Seconded by Mike Horner. Carried at 718pm.

Bliss presented the application for variance at 125 East 4th Street which would deviate from the ordinance governing the height to peak of structures. The standard height to peak is 18 feet, the variance would require exceeding the standard by eight feet.

Don Monson attended the hearing in support of Chris Gniffke and how nice other buildings are that have been built on the property.

A motion by Joel Dahl to close the public hearing. Seconded by Mike Horner. Carried.

A motion by Shannon Geihl to open the regular meeting. Seconded by Mike Horner. Carried at 727pm.

Lyon County Sheriff Eric Wallen presented the monthly activity report. Council reported speeding on Main Street after school.

Bliss presented information to the City Council on check valves at the Shoreview Lift Station that are needed. Tri State quoted \$15,236.48 – Bliss presented financials showing excess in the sewer fund from 2022 that was going to be placed in reserves that can be utilized towards this repair.

A motion by Joel Dahl to approve the quote from Tri State totaling \$15,236.48. Seconded by Shannon Geihl. Carried.

Bliss presented the survey quote to the Council from Bolton & Menk for the lake park that will not exceed \$3,150.00.

A motion by Joel Dahl to approve the survey of lake park not exceeding the cost of \$3,150. Seconded by Shannon Geihl. Carried.

Council reviewed the February meeting minutes of the Cottonwood Ambulance.

Council reviewed 2023 fire contracts.

A motion by Joel Dahl to approve the Normania Township Fire Contract. Seconded by Mike Horner. Carried.

A motion by Mike Horner to approve the Lucas Township Fire Contract. Seconded by Joel Dahl. Carried.

Council reviewed 2023 permits from businesses for waste hauling.

A motion by Mike Horner to approve the waste hauler permit for Southwest Sanitation. Seconded by Shannon Geihl. Carried.

A motion by Mike Horner to approve Resolution 2023_0307A Schedule of Fees. Seconded by Joel Dahl. Carried.

Council reviewed the Finding of Facts for the variance at 125 East 4th Street.

RESOLUTION NO. 2023_0307

A RESOLUTION ADOPTING FINDINGS OF FACT AND REASONS FOR APPROVAL FOR VARIANCE APPLICATION OF CHRIS GNIFFKE AT 125 EAST 4TH STREET.

FACTS

1. Chris Gniffke is the owner of a parcel of land located at 125 East 4th Street, Cottonwood, Minnesota 56229; and,
2. The subject property is legally described as; *Section-09 Twp-113 Range-40 Beg on E Line Main St Run N 380' W 363' S 380' E 363' to Beg Ex .11 A to Geihl Ex .55 Reber* and,
3. Chris Gniffke has applied to the city for a variance at 125 East 4th Street for a twenty-six (26) foot shed peak as described in Exhibit B.
4. The proposal would vary from Ordinance 2021_01 in that the height to peak of the structure would exceed eighteen (18) feet.
5. Following a public hearing on the application, the City Council of the City of Cottonwood reviewed the requested variance at its meeting on March 7, 2023.
6. On March 7, 2023 the City Council of the City of Cottonwood approved the variance.

APPLICABLE LAW

7. Minnesota Statute Section 462.357, subdivision 6 provides:
 - a. Variances shall only be permitted (a) when they are in harmony with the general purposes and intent of the ordinance and (b) when the variances are consistent with the comprehensive plan.
 - b. Variances may be granted when the applicant for the variance establishes that there are practical difficulties in complying with the zoning ordinance. "Practical difficulties," as used in connection with the granting of a variance, means that (a) the property owner proposes to use the property in a reasonable manner not permitted by the zoning ordinance; (b) the plight of the landowner is due to circumstances unique to the property not created by the landowner; and (c) the variance, if granted, will not alter the essential character of the locality.
8. City Zoning Ordinance 93-2 states that variances may only be granted in accordance with Minnesota Statutes, 462, as applicable. A variance may not circumvent the general purposes and intent of this ordinance. No variance may be granted that would allow any use that is prohibited in the zoning district in which the subject property is located. Conditions may be imposed in the granting of a variance to ensure compliance and to protect adjacent properties and the public interest. In considering a variance request, the board of adjustment must also consider whether the property owner has reasonable use of the land without the variance, whether the property is used seasonally or year-around, whether the variance is being requested solely on the basis of economic considerations, and the characteristics of development on adjacent properties.

CONCLUSIONS OF LAW

1. Harmony with the purposes and intent of the ordinance does not apply as the city does not have an ordinance specific to variances.
2. Consistency with the comprehensive plan does not apply because the property is designated residential and will continue to be utilized as residential.
3. The property owner does propose to use the property in a reasonable manner because the variance will allow for the storage of a personal use recreational item.
4. There are unique circumstances to the property not created by the landowner because the property is 1.67 acres in size and located next to two industrial facilities.
5. The variance will maintain the essential character of the locality because of the size and terrain of the property.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COTTONWOOD, MINNESOTA AS FOLLOWS:

The application to issue a variance to allow Chris Gniffke the construction of an accessory structure at 125 East 4th Street that will exceed eighteen (18) feet at the peak is hereby approved.

Passed by the City Council of Cottonwood, Minnesota this seventh day of March 2023.

Motion by Joel Dahl to Approve Resolution 2023_0307 Finding of Facts. Seconded by Mike Horner. Carried.

A motion by Shannon Geihl to Approve the building permit for 125 East 4th Street. Seconded by Joel Dahl. Carried.

Council reviewed bills totaling \$26,478.38.

Motion by Mike Horner to pay the bills. Seconded by Shannon Geihl. Carried.

A motion Shannon Geihl to adjourn the meeting. Seconded by Mike Horner. Carried at 800pm.

APRIL 18, 2023 MEETING MINUTES OF THE CITY COUNCIL

A meeting of the Cottonwood City Council was held on Tuesday, April 18, 2023, 7:00 pm, in the Cottonwood Fire Hall with Corey Moseng, Joel Dahl, Shannon Geihl, Mike Horner, and Shawn Myers present. Also, present was City Administrator, Teather Bliss; Public Works Supervisor, Allen Olsen; and Lyon County Sheriff's Deputies, Matt Boettger and Matt Hokstra; Lyon County Assessor, Mark Buysse; and Lyon County Appraiser, Shirley Aybear. Present from the public was Bob and Becky Haugen, Doug Winn, Mike and Vicki Flugum.

Mayor Corey Moseng called the meeting to order and led in the Flag Pledge.

Mark Buysse presented information on property values in Cottonwood to the local board of appeals and equalization.

The Preliminary Estimated Market Value increased from \$88,065,900 to \$102,562,700 with \$1,677,500 of new construction. The total sales in Cottonwood from October 1, 2021, to September 30, 2023 was 17.

Mike and Vicki Flugum had questions for Mark Buysse regarding the market value of their home compared to other years. Mark would look into it if the City Council wanted to continue with their regular meeting until such a time as Mark would be ready to reopen the hearing.

A motion by Shannon Geihl to open the regular meeting. Seconded by Shawn Myers. Carried at 721pm.

A motion by Shawn Myers to approve minutes. Seconded by Joel Dahl. Carried.

Bliss presented the following items as follow up from prior meetings:

CHD CHECKING ACCOUNT | After discussion with Rebecca, Kinner & Co, she would like to see the fundraising account out from under the City's EIN sooner rather than later. Once that is done, the City can still have some control – it just will be it's own account away from ties to the City. At that point, the splashpad fund can then be moved into that account. Therefore, I have already obtained an EIN for Coming Home Days and requested non-profit status under an unincorporated entity. In order to remove the account from the City – I will need a motion to do so as well as a motion to allow for the addition of Tam French and Jamie Anderson to the account.

COMMUNITY CENTER SOUND SYSTEM | Two quotes obtained for community center sound system upgrades:

Living Connected: Bluetooth Receiver and Wireless Mic added to existing Amp \$3,212.24

Scott's Electronics: New 125 Amp, Bluetooth Kit, Wireless Mic with Receiver \$1,921.53

POST OFFICE | Included with the packet is a copy of a letter we have received from USPS. They are officially preparing to move forward with a new location, and I have been in contact with John Fredrics. I have communicated with him on the Casey's property and Senior Center property, with him knowing the Casey's building is the top choice. If you have any other

questions or input, please let me know so that I can communicate it to John Fredrics before May 12th.

AMI SYSTEM | The gateway system has arrived and is ready to be installed onto the water tower! We will work with Ferguson and Jeseritz on getting the work completed in the coming weeks.

RAINS PROPERTY | Attached is the Lyon County court order to abate Mr. Rains property. With the snow gone, I would like to authorize someone to go in and clean up the property according to the final items that need to be completed on the City letter that has been authorized by the courts – pallet fence and rubbish/accumulation. Lyon County Sheriff's Office will need to be onsite during the abatement and all items will be taken to the City Shop for a ten day holding period – if at that time he does not collect items, we will advise him that the items will be disposed of in 72 hours. If he places the items back on his property in the same manner, the court order allows for the City to immediately remove the items again. All cost will be assessed to the property taxes.

CHICKEN ORDINANCE HEARING | In order for time to notify the community – does June 6th work to set the public hearing to discuss the Chicken Ordinance?

A motion by Shawn Myers to close the Coming Home Days Checking account with the City and allow for it to be opened under the Coming Home Days committee with whom will designate signers. Seconded by Mike Horner. Carried. Abstained by Shannon Geihl.

A motion by Shawn Myers to accept the proposal from Scott's Electronics for the sound system improvements in the Cottonwood Community Center. Seconded by Mike Horner. Carried. Opposed by Joel Dahl.

A motion by Mike Horner for the Administrator and Public Works Supervisor to move forward with getting the Rains abatement set up. Seconded by Shawn Myers. Carried.

A motion by Shawn Myers to set the public hearing for chickens on June 6th. Seconded by Shannon Geihl. Carried.

A motion by Joel Dahl to close the regular meeting. Seconded by Shawn Myers. Carried.

Mark Buysse addressed the market value issues brought forth by Mike and Vickie Flugum, it was a county issue that will need to be corrected and there would be nothing or the City to act on.

A motion by Shannon Geihl to close the public hearing. Seconded by Shawn Myers. Carried.

A motion by Joel Dahl to open the regular meeting. Seconded by Mike Horner. Carried at 748pm.

Sheriff's Department Report – ATVs and exhibition driving brought up.

Joel addressed the Emergency Management Coordinator situation and that there has not been any

recognition of severe weather week. Would like to invite the new coordinator to a council meeting. The council agreed and shared the frustration that the City of Cottonwood did not even know that a new coordinator was hired.

Al presented information on the Public Works Department. Tornado sirens tested, Lake Street retention pond fence is damaged and needs repairs, and the status of the flows down the Main Lift Station.

Bliss updated that the surveying was completed at Reishus Park, and the report would be coming to the City at a later date.

Bliss presented information to the council on the refunding of the temporary sewer bond into a long-term bond, the change into a long-term bond would increase to a 4% interest rate from 1% and would end up costing the City an additional \$150,000 in the long run. Bliss felt that it was not worth entertaining the option and will have Ehlers run a final refund option prior to the due date of the temporary bond.

Bliss presented the updated collateral list to the City Council.

Bliss presented the dates for clean up day to the City Council and requested the authorization to pay the cleanup day bill once it is received.

A motion by Shawn Myers to approve the clean up day. Seconded by Joel Dahl. Carried.

The council reviewed the April Meeting Minutes of the Fire Department.

The council reviewed Resolution 2023_0418 Amendment to the fee schedule that would change the Ambulance billing rates to the following:

Ambulance Calls

Basic Life Support Transport.....	\$1600.00
Advanced Life Support Transport	\$1800.00
Transport Mileage.....	\$30/mile
Advanced Life Support Intercept.....	\$1800.00
Advanced Life Support Level 2 Additional Rate	\$250.00
Specialty Care Transport.....	\$2300.00
Hazmat (Plus Lost and Destroyed Equipment).....	\$2500.00
Multi-Patient Discount.....	(2 Patients- 20%) (3 Patients- 30%)

A motion by Joel Dahl to approve Resolution 2023_0418. Seconded by Shannon Geihl. Carried.

The council discussed the proposed utility bill deposit policy. All believed that \$250 was too much but were not opposed to looking at an amended policy that included a deposit refund after a good standings period as well as a disconnection policy.

Council reviewed building permit 2023_02 for new home construction. The impervious surface would max out at 35% for the lot.

A motion by Shawn Myers to approve building permit 2023_02. Seconded by Joel Dahl. Carried.

Council reviewed building permit 2023_03 for the construction of a commercial shed in the Commercial Business District. The impervious surface for the lot is 35% per zoning ordinances and the construction would put the lot at 24%.

A motion by Joel Dahl to approve building permit 2023_03. Seconded by Shawn Myers. Carried.

Council reviewed building permit 2023_04 for a fence.

A motion by Shannon Geihl to approve building permit 2023_04. Seconded by Mike Horner. Carried.

Council reviewed building permit 2023_06 for an addition onto Lakeview Schools.

A motion by Joel Dahl to approve building permit 2023_06. Seconded by Shawn Myers. Carried.

The council reviewed the updated concerned citizen's log.

Council reviewed the list of bills totaling \$116,495.38.

A motion by Shawn Myers to approve the bills. Seconded by Joel Dahl. Carried.

A note was made to add the second council meeting each month to the monthly schedule.

A motion by Shawn Myers to adjourn the meeting. Seconded by Shannon Geihl. Carried at 900pm.

MAY 2, 2023 MEETING MINUTES OF THE CITY COUNCIL

A meeting of the Cottonwood City Council was held on Tuesday, May 2, 2023, 7:00 pm, in the Cottonwood Fire Hall with Corey Moseng, Joel Dahl, Shannon Geihl, Shawn Myers, and Mike Horner present. Also, present was City Administrator, Teather Bliss; Public Works Supervisor, Allen Olsen; and Lyon County Sheriff's Deputy, Dustin Demuth. Present from the community: Joe Rains.

Mayor Corey Moseng called the meeting to order and led in the Flag Pledge.

The council reviewed the minutes from the April 4, 2023 meeting.

A motion by Shawn Myers to approve the minutes from the April 4, 2023 meeting. Seconded by Shannon Geihl. Carried.

The council reviewed the minutes from the April 18, 2023 meeting.

A motion by Mike Horner to approve the minutes from the April 18, 2023 meeting. Seconded by Shawn Myers. Carried.

Council reviewed the consent agenda consisting of Resolution 2023_0502 donation to the Cottonwood Ambulance from the Cottonwood Senior Center for \$1,686.79.

A motion by Shannon Geihl to approve the consent agenda. Seconded by Mike Horner. Carried.

Bliss presented the following follow-up information:

CHD CHECKING ACCOUNT | Minutes dropped off at bank – remaining info not ready yet including checking closing and opening balances. Coming Home Days was approved for non-profit 501(c)(3) status.

COMMUNITY CENTER SOUND SYSTEM | System upgrades are complete as of today. If anyone needs a demonstration of the new equipment, let me know and I will take you over to the CC.

RAINS PROPERTY | Included with the packet is the notice that was delivered to Mr. Rains through the Lyon County Sheriff's Office. The abatement dates are set for May 7 & 8

LINCOLN PIPESTONE RURAL WATER | Included with the packet is a letter of support for Lincoln Pipestone Rural Water. Rep. Swedzinski and Sen. Dahms were the principal authors of the bills for our North Area Water Source. This is from Jason Overby "Regarding the status of our project, we have secured land for a future water treatment plant; are finalizing the appropriations permit with DNR; and completing an "Antidegradation Study" as required by MPCA for the lime ponds. We are patiently waiting for additional funding from the State and USDA-RD. So the ball keeps moving forward...slowly."

NEW LYON COUNTY EMERGENCY MANAGEMENT COORDINATOR | Emily Coequyt reached out to me the very next morning following the April 18th City Council meeting. She sounds very knowledgeable, and she is going to be great to work with

regarding County issues. Unfortunately, she is overwhelmed doing a full-time job in part time hours – now including a statewide declared emergency for flooding. Once she gets settled and has some free time, she is going to attend a council meeting.

BUILDING PERMIT – HAUGEN | Becky Haugen stopped in to see me about the contractor copy of the building permit they received for their commercial shed. I have fillable PDFs for the permits and save as I go – I missed changing the project cost line when filling it out so it still had \$350,000.00 from a prior permit when it should have been \$67,694.00. I told her it was a clerical typo and I changed it on the permit.

Deputy Demuth presented the monthly incident report to the City Council.

Olsen presented information to the city council on bids for crack filling and seal coating. The bid from Kamco to crack fill Westview Circle, Shoreview Circle, SRTS, and the Fire Hall as well as seal coat Westview Circle and Shoreview Circle was \$29,170.00. Borgen also quoted the same work at twice the cost. Kamco was recommended by Kent Louwagie and two local communities.

A motion by Joel Dahl to approve the street work bid from Kamco totaling \$29,170.00. Seconded by Mike Horner. Carried.

Olsen presented information to the city council on pricing for crushed granite on the tree site road. Jeseritz quoted \$300 per load and to get to Schmidty's shop it would take 10 loads. Another 10 loads would need to be used for the park, but if we will be digging the parking area up in a year or so for water/sewer then the gravel would be wasted.

Council discussed getting 20 loads of gravel and laying it all the way passed Lindsay Court on the tree site road.

A motion by Joel Dahl to get 20 loads of gravel through Jeseritz Construction for the tree site road. Seconded by Shawn Myers. Carried.

Olsen presented a quote to the city council for new lids for the outdoor trash cans, some are missing lids and others are broken. He was quoted ones like we currently have or a bonnet style that is open on all sides.

Council member Dahl likes the idea of the bonnet style so there is no touch surface, and it is safer for kids to not get their hands caught in.

A motion by Shawn Myers to spend up to \$1,000 on new trash can lids. Seconded by Shannon Geihl. Carried.

Bliss updated the city council on a few items that Kent Louwagie is working on.

The city council reviewed the utility billing policy from the April 18th meeting.

A few changes were made to the policy:

The removal of the good standing definition from “Existing Utility Customers”

Under “Utility Disconnection and Reconnection” the fee is changed from \$100 to \$50

A motion by Mike Horner to approve the Utility Billing Policy with changes. Seconded by Joel Dahl. Carried.

A motion by Joel Dahl to approve the Sandnes Township Fire Contract. Seconded by Shawn Myers. Carried.

Council reviewed the building permit 2023_05 Shelly Timm at 186 Park Street.

A motion by Mike Horner to approve building permit 2023_05 at 186 Park Street. Seconded by Shawn Myers. Carried. Abstained by Shannon Geihl.

Council reviewed the building permit 2023_07 at 60 Tom Christy Lane for Mark & Lori Radke.

A motion by Shawn Myers to approve building permit 2023_07 at 60 Tom Christy Lane. Seconded by Shannon Geihl. Carried.

Council reviewed the bills for the City totaling \$22,058.01

A motion by Joel Dahl to pay the bills. Seconded by Mike Horner. Carried.

A motion by Shawn Myers to adjourn the meeting. Seconded by Shannon Geihl. Carried at 800pm.

MAY 16, 2023 MEETING MINUTES OF THE CITY COUNCIL

A meeting of the Cottonwood City Council was held on Tuesday, May 16, 2023, 7:00 pm, in the Cottonwood Fire Hall with Shawn Myers, Joel Dahl, Shannon Geihl, and Mike Horner present. Also, present was City Administrator, Teather Bliss; Public Works Supervisor, Allen Olsen; City Engineer, Kent Louwagie; and Lyon County Sheriff, Eric Wallen. Mayor, Corey Moseng was absent.

Mayor Corey Moseng called the meeting to order and led in the Flag Pledge.

The council reviewed the minutes from the May 2, 2023 meeting.

A motion by Shannon Geihl to approve the minutes from the April 4, 2023 meeting. Seconded by Joel Dahl. Carried.

Council reviewed the consent agenda consisting of Resolution 2023_0516 donation to the Cottonwood Ambulance from Pehrson for \$100 and Resolution 2023_0516A donation to the Cottonwood Fire Department from Pehrson for \$100.

A motion by Joel Dahl to approve the consent agenda. Seconded by Shannon Geihl. Carried.

Bliss presented the following follow-up information:

CHD CHECKING ACCOUNT | Banking information provided showing the funds have been closed out.

RAINS PROPERTY | Abatement concluded and went well.

Sheriff Wallen presented the monthly incident report to the City Council.

Olsen presented information to the city council on issues with well #8 with the injector and tank. Currently the department mixes the polyphosphate chemical themselves, but preauthorization was given by Administrator to order a \$600 tank for liquid polyphosphate so that the department would no longer have to mix chemical, and the liquid product is cheaper.

Olsen also updated the council on Ernie starting for the season, parks have all been opened, they were working on cleaning out storm sewers and lift stations, and the beach parking area was currently shut down to allow for the middle to dry up.

Kent Louwagie presented an engineering update to the council that included the following information:

I&I EVALUATION | We continue gathering data from the flow meters, downloading data from the meters about once a month. Dry (or frozen) weather months allow us to develop an understanding of the baseline flow for each sewer shed. Snow melt derived I&I is more difficult to quantify since it is a slow, drawn-out event that occurs inconsistently based on several factors, over a period of a couple of weeks or even months. We are currently into what is considered the

wet weather months. The plan is to continue to monitor flows to further develop the baseline, but to also monitor flows during any precipitation events over the next couple months. Any spikes in flow during these events would indicate I&I in the sewer shed. We are planning to compare the sewer flows against the volume of water sold in each sewer shed. The city's new water metering software allows water meter data to be combined into groups, which will be useful in this comparison. Additional information will be provided as results are developed in the coming months.

REISHUS PARK CERTIFICATE OF SURVEY | We have completed the fieldwork and drafted a certificate of survey for Reishus Park. The southwest line looks good, it matches up well with the bollards and occupation lines. The northeast line appears to have a gap and an overlap with the adjacent property. The city should consider correcting this issue, then we can finalize the Certificate of Survey to reflect the corrected status of the northeast property line. The best way to resolve this is using reciprocal quit claim deeds. There are two ways the quit claim deeds can be written:

1. That part of current description X, lying northeasterly/southwesterly of a line that we survey.

This would create two documents that define each property. We estimate our cost to complete this at \$2000.

2. Write new legal descriptions for the City parcel and for the parcel to the northeast. This would

be a cleaner way to do it (both parties have independent, new, solid descriptions) but would require additional survey work on the parcel to the northeast. We would expand the certificate of survey. We estimate our cost to complete this at \$3500.

DOWNTOWN REDEVELOPMENT | Where the buildings were removed downtown, we understand that the existing water services were crimped off, but they remain in place. Knowing there will be new buildings constructed on these lots, it would be ideal to extend new water services to these lots from the existing water main. However, the existing water main is on the south side of Main Street, which is a County Road. The existing water main is a cast iron pipe that has been prone to breaking. This cast iron main extends from West 2nd Street to Barstad Road. Replacement of this water main and the water services is identified as a need in the preliminary engineering report. It's currently included in Phase 2; however, the City can modify the scope of each phase as you see fit. Rather than incur the cost to replace the water main and the water services in a piecemeal fashion, the lowest cost approach for now would be for the new buildings to reconnect to the existing water services. The water main and services would be replaced under a phase of the infrastructure replacement project. Replacing the curb and sidewalk in the downtown area could also occur at that time, since we understand that is a concern as well.

MPCA WASTEWATER POND OPTIMIZATION GRANT APPLICATION | On May 1st, MPCA announced a grant program intended to assist cities with control components at wastewater ponds. The grant will cover non-construction costs, like risers, gates, and valves, and associated design assistance. They will be awarding approximately eight grants, up to \$25,000 each. A match of at least twenty-five (25%) of the grant request is required, which can include in-kind contribution. We prepared a grant application that included replacing the main splitter structure at the city's wastewater treatment ponds, as well as replacing gates in three other control

structures at the pond site. The total estimated cost for this work is about \$201,100. The grant application was submitted yesterday.

GEOTECHNICAL CONSULTING SERVICES | We are soliciting proposals from geotechnical engineers to evaluate the existing pavement on Shoreview Drive and to develop a bituminous pavement recommendation for Tom Christy Lane. We will bring those proposals to a future council meeting for approval. We would like the geotechnical engineer to estimate the design strength of the existing pavement on Shoreview Drive, which will help determine future maintenance or improvement needs. The report would also include a recommended pavement design for Tom Christy lane.

Bliss presented the Council with information on a pallet wall that was used in several graduations. The current owners are willing to sell the pallet wall if the City would be interested in for the Community Center. The price would be \$600 for 14 stand up pallet sections and the City could lock them up so that a charge could be applied to renters for use.

Council members all agreed that they looked very nice and Joel Dahl liked the idea as it would hopefully keep people from hanging items on the wall.

A motion from Joel Dahl to purchase the pallet wall for \$600 and to charge a \$50 rental for the use. Seconded by Shannon Geihl. Carried.

Bliss discussed with the council on getting the final work done on the Senior Center and then placing it up for sale. The council discussed a sealed bid option and to start the process once it was ready.

Council reviewed the SCDP Drawdown totaling \$12,550.

A motion by Shannon Geihl to pay the drawdown. Seconded by Joel Dahl. Carried.

Council reviewed the mobile unit permits for ScottyBiggs, Blender Co, and Taqueria el Tarasco.

Discussion took place on the location of the trucks being moved to in front of the Senior Center or the beach park to keep from interfering with traffic.

A motion by Shannon Geihl to approve the mobile unit permits. Seconded by Joel Dahl. Carried.

Council reviewed the building permit 2023_08 Phil and Chelsey Reed at 184 Shoreview Drive for a 12x20 deck.

A motion by Joel Dahl to approve building permit 2023_08 at 184 Shoreview Drive. Seconded by Mike Horner. Carried.

Council reviewed the building permit 2023_09 Matt Norby at 241 Barstad Road for the replacement of the front deck.

A motion by Mike Horner to approve building permit 2023_09 at 241 Barstad Road. Seconded by Joel Dahl. Carried.

Council reviewed the building permit 2023_10 Joe Rains at 90 West Vermillion Street for a chicken wire fence.

A motion by Joel Dahl to approve building permit 2023_10 at 90 West Vermillion. Seconded by Shannon Geihl. Mike Horner Opposed. Carried.

Council tabled building permit 2023_11 until a materials list was received.

Council reviewed the building permit 2023_12 and 2023_13 for shingling.

A motion by Shannon Geihl to approve building permits 2023_12 and 2023_13 for shingling. Seconded by Joel Dahl. Carried.

Council reviewed building permit 2023_14 Krista and Kelvin Listul at 18 West 4th Street South for the addition of a 10x20 shed and 120 square feet of concrete driveway.

A motion by Shannon Geihl to approve permit 2023_14 at 18 West 4th Street South. Seconded by Mike Horner. Carried.

Council reviewed the concerned citizen log and discussed the garage that was moved down Main Street. A permit was obtained after the fact and will be completed prior to the structure being permanent.

Council reviewed the bills for the City totaling \$20,511.94.

A motion by Joel Dahl to pay the bills. Seconded by Mike Horner. Carried.

A motion by Shannon Geihl to adjourn the meeting. Seconded by Joel Dahl. Carried at 900pm.

JUNE 20, 2023 MEETING MINUTES OF THE CITY COUNCIL

A meeting of the Cottonwood City Council was held on Tuesday, June 20, 2023, 7:00 pm, in the Cottonwood Fire Hall with Corey Moseng, Shawn Myers, Joel Dahl, and Mike Horner present. Also, present was City Administrator, Teather Bliss; and Lyon County Sheriff's Deputy, Beau Swenson. Present from the public was Jeff Johnson.

Mayor Corey Moseng called the meeting to order and led in the Flag Pledge.

Bliss presented the following follow-up information:

CHD CHECKING ACCOUNT | Bank statement provided showing the funds have been closed out.

CAPITAL BONDING REQUEST | The capital bonding request was submitted totaling \$8M that would cover phase one of the Preliminary Engineering Report and potential connection to Rural Water.

Deputy Swenson presented the monthly incident report to the City Council.

Bliss presented an update on Administration, Public Works, and Engineering to the Council on the following:

LYON COUNTY HAZARD MITIGATION PLAN | The press release for the writing of the new All Hazard Mitigation Plan was reviewed.

AUDIT | Bliss updated the council on the extension request for the audit and presentation will take place in early July.

OTHER ITEMS | Council received an update on the Senior Center electricity, Main Street lots, and housing discussions with Extreme Panel.

PUBLIC WORKS | Jeseritz was beginning to install the AMI on the water tower, Hydroklean would be in town on Thursday for storm sewer televising, and Tri-State will be installing check valves Wednesday into Shoreview Lift One. The council also reviewed a memo pertaining to an accident involving the city and a contractor during tree trimming.

ENGINEERING | The City received the \$25,000 Pond Optimization Grant from PCA

Council reviewed the Fire Department June meeting minutes.

A motion by Shawn Myers to approve a special permit for alcohol on July 22nd in the community center. Seconded by Mike Horner. Carried.

Motion by Joel to approve the Dollar General tobacco license and LeRoy's alcohol license. Seconded by Shawn Myers. Carried.

Motion by Shawn Myers to approve the Coming Home Days parade permit. Seconded by Joel Dahl. Carried.

Council reviewed the building permit 2023_19 shingling for Jamie Norgaard.

A motion by Mike Horner to approve building permit 2023_19. Seconded by Joel Dahl. Carried.

Council reviewed the building permit 2023_20 new home construction for Patrick Glimsdal.

A motion by Mike Horner to approve building permit 2023_20. Seconded by Joel Dahl. Carried.

Council reviewed the building permit 2023_21 shingling at Fieldcrest.

A motion by Joel Dahl to approve building permit 2023_21. Seconded by Mike Horner. Carried.

Council reviewed the ROW utility permit 2023_01 for Frontier Communications.

A motion by Shawn Myers to approve utility permit 2023_01. Seconded by Joel Dahl. Carried.

Motion by Mike Horner to pay for the fireworks for Coming Home Days totaling \$5,000.00. Seconded by Joel Dahl. Carried.

The council discussed moving the first meeting in July due to it falling on the Fourth of July. The meeting will be moved to July 11th.

Council reviewed the bills for the city totaling \$9,967.84.

A motion by Joel Dahl to pay the bills. Seconded by Shawn Myers. Carried.

During public comments, Jeff Johnson addressed the council regarding the post office.

A motion by Shawn Myers to adjourn the meeting. Seconded by Joel Dahl. Carried at 800pm.

JUNE 20, 2023 MEETING MINUTES OF THE CITY COUNCIL

A meeting of the Cottonwood City Council was held on Tuesday, June 20, 2023, 7:00 pm, in the Cottonwood Fire Hall with Corey Moseng, Joel Dahl, and Shannon Geihl present. Also, present was City Administrator, Teather Bliss; Public Works Supervisor, Allen Olsen; and Lyon County Sheriff's Sergeant, Steve Louwagie. Present from the public was Mike Maxwell, Joe Rains, Haleigh Alm, Tori Praus, Janel Kuester, Patrick Glimsdal, Gary Becker, Jeanette Prust, and Christina Hagen. Rick Cobb and Todd Hagen were present via Zoom. Shawn Myers and Mike Horner were absent.

Mayor Corey Moseng called the meeting to order and led in the Flag Pledge.

Sergeant Louwagie presented the Sheriff's incident report.

Council discussed issues with speeding and ATVs around town. A citizen addressed a speeding issue down Front Street where it is 25 mph and vehicles are going upwards of 40 down the street where a lot of children live.

Council member Joel Dahl stated that when a road has a special speed limit such as Front Street that it is required to be posted at both end of the road and he does recall that when the 2016 project was done, there was never a sign replaced at the west end of Front Street.

Bliss updated that 4 new 25 mph road signs have been purchased and will be posted all along Front Street.

Council reviewed the League of MN Insurance Trust Liability Coverage Waiver.

A motion by Shannon Geihl to select the "Does Not Waive" option. Seconded by Joel Dahl. Carried.

Motion by Joel Dahl to close the regular meeting. Seconded by Shannon Geihl. Carried.

Motion by Shannon Geihl to open the public hearing. Seconded by Joel Dahl. Carried at 705PM.

Bliss presented the following information:

Research has been done on Urban Chickens. Below are few common requirements that cities require:

1. No Roosters
2. 2 to 8 Hens
3. Annual Permit of \$25
4. Permit for Coop/Run
5. Enough space for healthy living
6. A few require neighbor approval
7. No egg sales
8. No free roaming

None of the cities reported issues or disputes with neighbors.

Comments from the public included sanitary disposal of feces, zoning requirements for coops/runs, moveable coops, slaughtering, and egg sales.

A motion by Joel Dahl to close the public hearing. Seconded by Shawn Myers. Carried

A motion by Shannon Geihl to open the regular meeting. Seconded by Shawn Myers. Carried at 7:19PM.

Bliss presented the items below as follow ups from prior meetings:

- The final step for the DNR permit for the beach property was a letter that accepts the permit and submission of restoration design. The permit could be potentially upwards of \$3,000 but the DNR Hydrologist is confident that it will come in much less. If the council wants to proceed, then a motion will be needed to move forward with the letter and payment of the permit when the payment request comes in.
 - A motion by Joel Dahl to move forward with the permit. Seconded by Shannon Geihl. Carried.
- Bliss presented the proposed northern boundary of CW Reishus Park, a meeting with Jim Schrupp was done and the consensus was that he did not want to be responsible for the ditch. Therefore, the next step will be to quit claim deed the deed gap and overlap.
- Council reviewed the following Resolution 2023_0606A

RESOLUTION NO. 2023_0606A RESOLUTION PROVIDING FOR THE SALE OF \$499,000 GENERAL OBLIGATION SEWER REVENUE BONDS, SERIES 2023A

A. WHEREAS, the City Council of the City of Cottonwood, Minnesota has heretofore determined that it is necessary and expedient to issue the City's \$499,000 General Obligation Sewer Revenue Bonds, Series 2023A (the "Bonds"), to refund at maturity on August 1, 2023 the City's outstanding GO Temporary Sewer Revenue Bonds, Series 2020A; and

B. WHEREAS, the City has retained Ehlers & Associates, Inc., in Roseville, Minnesota ("Ehlers"), as its independent municipal advisor for the Bonds in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9);

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Cottonwood, Minnesota, as follows:

1. Authorization; Findings. The City Council hereby authorizes Ehlers to assist the City for the sale of the Bonds.
2. Meeting; Proposal Opening. The City Council shall meet at 7:00 p.m. on July 11, 2023, for the purpose of considering proposals for and awarding the sale of the Bonds.
3. Offering Document. In connection with said sale, the officers or employees of the City are hereby authorized to cooperate with Ehlers and participate in the preparation of an offering document for the Bonds.

A motion by Joel Dahl to approve Resolution No. 2023_0606A Resolution Providing For The Sale Of \$499,000 General Obligation Sewer Revenue Bonds, Series 2023A. Seconded by Shannon Geihl. Carried.

- Council reviewed the final documents for the street sweeper lease with purchase option. The following resolution would need to be passed to move forward with the lease to purchase:

**RESOLUTION RELATING TO LEASE WITH OPTION
TO PURCHASE AGREEMENT No. CIT7591-102**

BE IT RESOLVED by the governing body of City of Cottonwood, Minnesota (the Issuer), as follows:

Section 1. Recitals and Authorization. The Issuer, as lessee, has heretofore entered into a Lease with Option to Purchase Agreement #CIT7591-102 dated as of June 6, 2023 (the Lease), with Kinetic Leasing, Inc., as lessor. It is hereby determined that it is necessary and desirable and in the best interests of the Issuer to enter into the Lease for the purposes therein specified, and the execution and delivery of the Lease by the Issuer are hereby approved, ratified and confirmed.

Section 2. Designation as Qualified Tax-Exempt Obligation. Pursuant to Section 265(b)(3)(B)(ii) of the Internal Revenue Code of 1986 (the Code), the Issuer hereby specifically designates the Lease as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code. In compliance with Section 265(b)(3)(D) of the Code, the Issuer hereby represents that the Issuer will not designate more than \$10,000,000 of obligations issued by the Issuer in the calendar year during which the Lease is executed and delivered as such "qualified tax-exempt obligations."

Section 3. Issuance Limitation. In compliance with the requirements of Section 265(b)(3)(C) of the Code, the Issuer hereby represents that the Issuer (including all "subordinate entities" of the Issuer within the meaning of Section 265(b)(3)(E) of the Code) reasonably anticipates not to issue in the calendar year during which the Lease is executed and delivered, obligations bearing interest exempt from federal income taxation under Section 103 of the Code (other than "private activity bonds" as defined in Section 141 of the Code) in an amount greater than \$10,000,000.

A motion by Joel Dahl to approve the resolution for lease with option to purchase agreement for the street sweeper. Seconded by Shannon Geihl. Carried.

Al presented a quote from HydroKlean to the Council for the televising of storm sewer line from the corner of East 1st & East Prairie to the end of East Prairie as well as the alleyway from 1st to Barstad behind Main Street. The areas are seeing significant flooding and drainage problems that could be caused by collapsed or blocked lines.

A motion by Shannon Geihl to approve the HydroKlean quote totaling \$4,100. Seconded by Joel Dahl. Carried.

Bliss provided a quick update on the engineering of the city that included I&I study continuing and CW Reishus Park.

Bliss provided the following information for the Administration Report:

LEGISLATION UPDATE MESSAGE

1. PAID MEDICAL LEAVE.
 - a. Effective January 1, 2026.
 - b. Reporting begins July 1, 2024.
 - c. Will be some form of a paid in pool to an insurance program – unknown of if it will be a new insurance pool, the League, or the Cooperative.
 - d. Does apply to part time and seasonal employees.
2. EMPLOYMENT CHANGES
 - a. Sick & Safe Time - One hour for every 30 hours worked, up to 48 hours a year. Effective January 1, 2024
 - b. Juneteenth - Effective May 25, 2023
3. LOCAL GOVERNMENT FUNDS
 - a. New LGA Formula Approved – Cottonwood \$377,713 for 2024. \$34,516 increase from 2023.
 - b. Public Safety Aid – One-time Public Safety Aid payment totaling \$50,104 for Cottonwood Fire & Ambulance
 - c. Small Cities Transportation Assistance – Ongoing funded account. Roughly \$30,278 for Cottonwood in 2024. Funded through the “Amazon” Tax & Auto Parts Tax.
4. HOUSING BILL
 - a. Historic \$1B Omnibus Bill
 - b. Funds for Infrastructure & Developer
 - c. Funds for New Development, Existing Housing Revitalization, Manufactured Parks Infrastructure.
5. CANNABIS LEAGALIZATION
 - a. Possession, Home Growth, & Decriminalization effective August 1, 2023
 - b. Effective June 1st - Low Potency of .5% and less products legal for sale including municipal liquor stores
 - c. 16 types of licensing – individuals can only possess one license.
 - d. Municipal dispensaries authorized
 - e. Retail/dispensary license limits in cities – 1 for every 12,500 population
 - f. License limits within cities CANNOT be placed on the growing, testing, manufacturing facilities.
 - g. Retail/dispensary CANNOT be 1,000 feet from a school or 500 feet from a daycare/park – CANNOT put these regulations in place to completely prohibit a dispensary. DOES NOT apply to growing, testing, or manufacturing facilities.
 - h. License issued through the Office of Cannabis Management. All other burden on cities.
 - i. Zoning
 - ii. Registration & Permits
 - iii. Compliance Checks
 - iv. Registration Fees
 1. \$500 or percentage of license fee, whichever is least. This covers an initial registration and one renewal.

- v. Renewal Registration Fees
 - 1. \$1000 or percentage of renewal license fee, whichever is least. Not collectible until 2nd year renewal as initial registration fee covers registration and 1st year renewal.
 - i. Townships CANNOT prohibit cannabis business.
- 6. LAND USE – ENVIRONMENT
 - a. Legalizing Affordable Housing Act – the issues we discussed that will limit ROWs, zoning authority for cities, etc.. Bill did NOT pass BUT will return to legislation in 2024 and is gaining bipartisan support.
 - b. “Sacred Settlements” – Beginning 2024 cities MUST allow these micro units on religious property.
 - c. DNR powers SUBSTANTIALLY increased to enforce penalties on Water Appropriation Permits
 - d. \$240M Lead Service Line Funds
 - e. Natural Landscaping – Cities required to allow “managed natural landscape” on all parcels. Weeds & Grasses must NOT exceed 8 inches or go to seed.
- 7. \$1.5B BONDING BILL
 - a. \$402M Transportation
 - b. \$10M Local Tree Planting
 - c. \$49.7M Flood Hazard Mitigation
 - d. \$513.5M to Public Facilities Authority
 - e. \$443M to DEED
 - f. \$76M to Minnesota Housing Finance Agency
- 8. ADDITIONAL LEGISLATION
 - a. \$100M for Border-to-Border Broadband
 - b. State matched funds secured for the federally allocated \$6.1B Infrastructure Investment and Jobs Act for Minnesota
 - c. Health & Human Services Bill – \$300M in Nursing Home Grant Funds to be distributed in August 2023
 - d. Public Safety PTSD Duty Disability Bill – LMC Webinar in July

ADMINISTRATOR REPORT

MESSAGE

IUP REQUESTS | Now that the bonding bill has passed, Bolton & Menk has completed the requests for placement on the Intended Use Plan for 2024. This is the funding for infrastructure that includes Clean Water, Drinking Water, and Lead Service Lines.

LEGEND CABINETRY - MIF | Last week I met with Jason Burak from DEED to close out the Legend Cabinetry Minnesota Investment Fund Grant!

AUDIT | It is audit time – I have been working on getting documents over to Rebecca.

REPORTING | CCR is completed. TIF Reporting is due August 30th. WINS Survey is due June 30th. Pond permit complete and going through the review phase now.

HOUSING IMPACT FUND | I have a zoom meeting set up for Thursday to meet with Dickens, Extreme Panel, and Bolton & Menk about the beginning phase of a new development just north of Northwood right behind Penske’s lot. With the new housing funds, all costs are included in the grants so we are going to apply for the Minnesota Housing Impact Fund RFP that is due in July. We have the biggest areas covered:

developer, land, and engineer so now we are all going to meet about pursuing the opportunity to do a small development of the Extreme Panel Enviro Homes.

Council reviewed the May Meeting Minutes of the Cottonwood Ambulance Service.

Council reviewed the liability waiver form and considered the approval of the “Does Not Waive” option.

A motion by Shannon Geihl to approve the “Does Not Waive” option. Seconded by Joel Dahl. Carried.

Council reviewed the following Resolution of Support to Capital Bonding Request:

RESOLUTION NO. 2023_0606
A RESOLUTION AUTHORIZING A 2024 CAPITAL BUDGET REQUEST
TO THE STATE OF MINNESOTA FOR AN INFRASTRUCTURE
PROJECT.

WHEREAS, under the provisions contained in Minnesota Statutes 16A.86, Subd. 3a (6) sets out the process by which local governments and political subdivisions may request state appropriations for capital improvement projects. The Governor and Legislature will consider these bonding requests in the 2024 session; and,

WHEREAS, Local governments should submit their capital budget requests to Minnesota Management and Budget (MMB) by June 16, 2023; and

WHEREAS, the City of Cottonwood proposes a infrastructure project and has a identified a substantial need for State financial assistance in addition to funding from the City which meets or exceeds the state funding; and,

WHEREAS, the City of Cottonwood has the legal authority to apply for Capital Budget assistance, and has the financial, technical, and managerial capacity to ensure proper construction, operation and maintenance of the project for its design life.

NOW, THEREFORE, BE IT RESOLVED that the City of Cottonwood is authorized to submit the necessary 2024 Capital Budget application and information to the Minnesota Management and Budget Office.

Adopted by the City Council this sixth day of June, 2023.

A motion by Joel Dahl to Approve Resolution No. 2023_0606 A Resolution Authorizing A 2024 Capital Budget Request To The State Of Minnesota For An Infrastructure Project. Seconded by Shannon Geihl.

A motion by Joel Dahl to approve building permit 2023_11. Seconded by Shannon Geihl. Carried.

A motion by Shannon Geihl to approve building permit 2023_15. Seconded by Joel Dahl. Carried.

A motion by Joel Dahl to approve building permit 2023_16. Seconded by Shannon Geihl. Carried.

A motion by Shannon Geihl to approve building permit 2023_17. Seconded by Joel Dahl. Carried.

A motion by Shannon Geihl to approve building permit 2023_18. Seconded by Joel Dahl. Carried.

A motion by Joel Dahl to approve the payment of bills totaling \$46,066.38. Seconded by Shannon Geihl. Carried.

Council reviewed the 2022 Consumer Confidence Report.

Mayor Moseng provided an update to the council on the post office and the selection committee process that will take place.

A motion by Joel Dahl to adjourn the meeting. Seconded by Shannon Geihl. Carried at 830pm.

JULY 11, 2023 MEETING MINUTES OF THE CITY COUNCIL

A meeting of the Cottonwood City Council was held on Tuesday, July 11, 2023, 7:00 pm, in the Cottonwood Fire Hall with Corey Moseng, Shawn Myers, Joel Dahl, Shannon Geihl, and Mike Horner present. Also, present was City Administrator, Teather Bliss; Public Works Supervisor, Allen Olsen; Ambulance Director, LeeAnne Boehne; and Lyon County Sheriff, Eric Wallen. Ehlers Financial Advisor, Todd Hagen present via Zoom. Present from the public was Shannon Sweetman, Dominic Sweetman, and Don Williamson

Mayor Corey Moseng called the meeting to order and led in the Flag Pledge.

Council reviewed the May 16, 2023 meeting minutes.

A motion by Shannon Geihl to approve the May 16, 2023 Meeting Minutes of the Cottonwood City Council. Seconded by Shawn Myers. Carried.

Bliss presented the following follow-up information:

URBAN CHICKEN ORDINANCE | Discussion took place that the issue would be revisited if a petition is presented or there is an uptick in interest.

2023A SEWER REVENUE BOND | Todd Hagen presented the sale day report for the 2023A Sewer Revenue Bond. The awarded bid went to First Independent Bank with an interest rate of 4.25%. Council also decided that to keep the bond lower, \$100,000 would be paid down and the bond is also callable at any time without penalty.

A motion by Shawn Mayers was made and seconded by Joel Dahl to approve with all voting in favor for the following Resolution:

RESOLUTION RELATING TO \$392,000 GENERAL OBLIGATION SEWER REVENUE BONDS, SERIES 2023A; AUTHORIZING THE ISSUANCE, AWARDING THE SALE, PRESCRIBING THE FORM AND DETAILS AND PROVIDING FOR THE PAYMENT THEREOF BE IT RESOLVED by the City Council (the "Council") of the City of Cottonwood, Minnesota (the "City"), as follows:

Section 1. Authorization, Sale and Recitals.

1.01. Authorization of Bonds. By resolution adopted June 6, 2023, this Council has previously determined that it is in the best interests of the City to issue its General Obligation Sewer Revenue Bonds, Series 2023A (the "Bonds") in the approximate principal amount of \$499,000, pursuant to Minnesota Statutes, Chapters 444, 475, and Sections 115.46 and 475.67. The proceeds of the Bonds, together with any funds of the City which might be required, will be used to refund, in a current refunding, the 2023 maturity of the City's General Obligation Temporary Sewer Revenue Bond, Series 2020A, dated, as originally issued, as of August 5, 2020 (the "Refunded Bonds"), aggregating \$475,500 in principal amount; and to fund costs of issuance of the Bonds. The Refunded Bonds were issued to finance, on a temporary basis, the construction of a main lift station (the "Project") for the City's municipal sewer system (the "System"). The Refunded Bonds will be redeemed on August 1, 2023 (the "Redemption Date").

1.02. Sale of Bonds. Pursuant to Minnesota Statutes, Section 475.60, subdivision 2, paragraph (2), the requirements as to public sale do not apply to the issuance of the Bonds. The Council has

received a proposal from First Independent Bank, in Russell, Minnesota (the “Purchaser”), to purchase the Bonds at a price of \$392,000 plus accrued interest, if any, on all Bonds to the day of delivery and payment, on the further terms and conditions hereinafter set forth.

1.03. Award. The sale of the Bonds is hereby awarded to the Purchaser, and the Mayor and City Clerk-Administrator are hereby authorized and directed on behalf of the Council to execute a contract for the sale of the Bonds in accordance with the terms of the proposal.

1.04. Recitals. All acts, conditions and things which are required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed precedent to and in the valid issuance of the Bonds having been done, existing, having happened and having been performed, it is now necessary for this Council to establish the form and terms of the Bonds, to provide the security therefor and to issue the Bonds forthwith.

Section 2. Terms; Registration; Execution and Delivery.

2.01. Maturities; Interest Rates; Denominations; Payment. The Bonds shall be dated, as originally issued, as of July 27, 2023, in the denomination of \$1,000 each or any integral multiple thereof, mature on February 1 in the years and amounts stated below, and shall bear interest from date of issue until paid or duly called for redemption at the annual rate set forth opposite such year and amount, as follows:

Year	Amount	Rate
2034	\$392,000	4.250%

The Bonds shall be issuable only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof shall be payable by check or draft issued by the Registrar described herein.

2.02. Dates and Interest Payment Dates. Interest on the Bonds shall be payable on each February 1 and August 1, commencing August 1, 2024, to the owners of record thereof as of the close of business on the fifteenth day of the immediately preceding month, whether or not such day is a business day. Interest shall be computed on the basis of a 360-day year composed of twelve 30-day months.

2.03. Redemption. The Bonds shall be subject to redemption and prepayment at the option of the City, in whole or in part, by lot as selected by the Registrar, in multiples of \$1,000, on any date prior to the scheduled maturity date, at a price equal to the principal amount thereof and accrued interest to the date of redemption. The City Clerk-Administrator shall cause notice of the call for redemption thereof to be published as required by law, and at least thirty and not more than 60 days prior to the designated redemption date, shall cause notice of call for redemption to be mailed, by first class mail, to the registered holders of any Bonds to be redeemed at their addresses as they appear on the bond register described in Section 2.05 hereof, but no defect in or failure to give such mailed notice of redemption shall affect the validity of proceedings for the redemption of any Bond not affected by such defect or failure. Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon partial redemption of any Bond, a new Bond or Bonds will be delivered to the owner without charge, representing the remaining principal amount outstanding.

The Bonds maturing on February 1, 2034 (the “Term Bond”) shall be subject to mandatory redemption prior to maturity pursuant to the sinking fund requirements of this Section 2.03 at a redemption price equal to the stated principal amount thereof plus interest accrued thereon to the

redemption date, without premium. The Registrar shall select for redemption, by lot or other manner deemed fair, on February 1 in each of the following years the following stated principal amounts of such Bonds:

Year	Principal Amount	Year	Principal Amount
2025	\$25,000	2030	\$41,000
2026	34,000	2031	42,000
2027	36,000	2032	44,000
2028	37,000	2033	46,000
2029	39,000	2034*	48,000

*stated maturity

Notice of redemption shall be given as provided in the preceding paragraph.

2.04. Appointment of Initial Registrar. The City hereby appoints the City Clerk-Administrator of the City as the initial bond registrar, transfer agent and paying agent (the “Registrar”). The City reserves the right to remove the Registrar upon the appointment of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Bonds in its possession to the successor Registrar and shall deliver the bond register to the successor Registrar.

2.05. Registration. The effect of registration and the rights and duties of the City and the Registrar with respect thereto shall be as follows:

(a) Register. The Registrar shall keep at its principal office a bond register in which the Registrar shall provide for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Bonds. Upon surrender to the Registrar for transfer of any Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer of any Bond or portion thereof selected or called for redemption.

(c) Exchange of Bonds. Whenever any Bond is surrendered by the registered owner for exchange, the Registrar shall authenticate and deliver one or more new Bonds of a like aggregate principal amount, interest rate and maturity, as requested by the registered owner or the owner’s attorney duly authorized in writing.

(d) Cancellation. All Bonds surrendered upon any transfer or exchange shall be promptly canceled by the Registrar and thereafter disposed of as directed by the City.

(e) Improper or Unauthorized Transfer. When any Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for its refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The City and the Registrar may treat the person in whose name any Bond is at any time registered in the bond register as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond and for all other purposes, and all such payments so made to any such

registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability of the City upon such Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. For every transfer or exchange of Bonds (except for an exchange upon the partial redemption of a Bond), the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond shall become mutilated or be lost, stolen or destroyed, the Registrar shall deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any such Bond lost, stolen or destroyed, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond lost, stolen or destroyed, upon filing with the Registrar evidence satisfactory to it that such Bond was lost, stolen or destroyed, and of the ownership thereof, and upon furnishing to the Registrar an appropriate bond or indemnity in form, substance and amount as may be required by law and as is satisfactory to the Registrar, in which both the City and the Registrar shall be named as obligees. All Bonds so surrendered to the Registrar shall be canceled by it and evidence of such cancellation shall be given to the City. If the mutilated, lost, stolen or destroyed Bond has already matured or been called for redemption in accordance with its terms, it shall not be necessary to issue a new Bond prior to payment.

(i) Authenticating Agent. The Registrar is hereby designated authenticating agent for the Bonds, within the meaning of Minnesota Statutes, Section 475.55, Subdivision 1, as amended.

(j) Valid Obligations. All Bonds issued upon any transfer or exchange of Bonds shall be the valid obligations of the City, evidencing the same debt, and entitled to the same benefits under this Resolution as the Bonds surrendered upon such transfer or exchange.

2.06. Execution, Authentication and Delivery. The Bonds shall be prepared under the direction of the City Clerk-Administrator and shall be executed on behalf of the City by the signatures of the Mayor and the City Clerk-Administrator, provided that the signatures may be printed, engraved or lithographed facsimiles of the originals. In case any officer whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of any Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. Notwithstanding such execution, no Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on the Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on each Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been prepared, executed and authenticated, the City Clerk-Administrator shall deliver them to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore executed, and the Purchaser shall not be obligated to see to the application of the purchase price.

2.07. Form of Bonds. Bonds shall be prepared in substantially the form found at EXHIBIT A.

Section 3. Use of Proceeds; Refunding. Upon payment for the Bonds by the Purchaser, the City Clerk Administrator shall deposit \$477,877.50 (representing proceeds of the Bonds in the amount of \$377,877.50 and City equity in the amount of \$100,000) in the debt service fund established for the Refunded Bonds to be applied to their payment on the Redemption Date; Bond proceeds in the amount of \$622.50 in the Bond Fund created in Section 4 hereof; and Bond proceeds in the amount of \$13,500 shall be used to pay costs of issuance of the Bonds.

Section 4. General Obligation Sewer Revenue Bonds, Series 2023A Bond Fund. The Bonds shall be payable from a separate General Obligation Sewer Revenue Bonds, Series 2023A Bond Fund (the

“Bond Fund”) of the City, which the City agrees to maintain until the Bonds have been paid in full. If the money in the Bond Fund should at any time be insufficient to pay principal and interest due on the Bonds, such amounts shall be paid from other money on hand in other funds of the City, which other funds shall be reimbursed therefor when sufficient money becomes available in the Bond Fund. Into the Bond Fund shall be paid (a) Bond proceeds in the amount of \$622.50, as set forth in Section 3 hereof; (b) net revenues of the System appropriated to the payment of the Bonds and interest thereon in accordance with Section 5 hereof; (c) any taxes collected pursuant to Section 7 hereof; and (d) any other funds appropriated by the City for the payment of the Bonds.

Section 5. Sufficiency of System Revenues. It is hereby found, determined and declared that the City owns and operates the System as a revenue-producing utility and convenience and that the net operating revenues of the System, after deducting from the gross receipts derived from charges for the service, use and availability of the System the normal, current and reasonable expenses of operation and maintenance thereof, will be sufficient, together with any other funds appropriated to the Bond Fund pursuant to Section 4 hereof, for the payment when due of the principal of and interest on the Bonds herein authorized, and on any other bonds to which such revenues are pledged.

Section 6. Reserved.

Section 7. Pledge of Taxing Powers. For the prompt and full payment of the principal of and interest on the Bonds as such payments respectively become due, the full faith, credit and unlimited taxing powers of the City shall be and are hereby irrevocably pledged. The City estimates that System Revenues, together with the other funds appropriated to the payment of the Bonds pursuant to Section 4 hereof, shall be sufficient to pay the principal of and interest on the Bonds when due and therefore no tax levy is required at this time. However, the City covenants that if the principal of and interest on any Bond is not paid in full when due, the City will levy an ad valorem tax upon all taxable property within its corporate limits in an amount sufficient to pay such principal and interest.

Section 8. Defeasance. When all of the Bonds have been discharged as provided in this Section 8, all pledges, covenants and other rights granted by this resolution to the owners of the Bonds shall cease. The City may discharge its obligations with respect to any Bonds which are due on any date by irrevocably depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full; or, if any Bond should not be paid when due, the City may nevertheless be discharge its liability with respect thereto by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The City may also discharge its obligations with respect to any prepayable Bonds called for redemption on any date when they are prepayable according to their terms, by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full; provided that notice of the redemption thereof has been duly given as provided in Section 2.03. The City may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank or trust company qualified by law as an escrow agent for this purpose, cash or securities which are authorized by law to be so deposited, bearing interest payable at such times and at such rates and maturing or callable at the holder’s option on such dates as shall be required to pay all principal and interest to become due thereon to maturity or, if notice of redemption as herein required has been irrevocably provided for, to such earlier redemption date.

Section 9. Certification of Proceedings.

9.01. Registration of Bonds. The City Clerk-Administrator of the City is hereby authorized and directed to file a certified copy of this resolution with the County Auditor of Lyon County, together with such additional information as the Auditor shall require, and to obtain from the Auditor a certificate that the Bonds have been duly entered upon the Auditor’s bond register.

9.02. Authentication of Transcript. The officers of the City and the Lyon County Auditor are hereby authorized and directed to prepare and furnish to the Purchaser and to Dorsey & Whitney LLP, the

attorneys rendering an opinion as to the validity thereof, certified copies of all proceedings and records relating to the Bonds and such other affidavits, certificates and information as may be required to show the facts relating to the legality and marketability of the Bonds, as the same appear from the books and records in their custody and control or as otherwise known to them, and all such certified copies, affidavits and certificates, including any heretofore furnished, shall be deemed representations of the City as to the correctness of all statements contained therein.

Section 10. Tax Covenants and Arbitrage Matters.

10.01. General Tax Covenant. The City covenants and agrees with the registered owners from time to time of the Bonds that it will not take, or permit to be taken by any of its officers, employees or agents, any actions that would cause interest on the Bonds to become includable in gross income of the recipient under the Internal Revenue Code of 1986, as amended (the "Code") and applicable Treasury Regulations (the "Regulations"), and covenants to take any and all actions within its powers to ensure that the interest on the Bonds will not become includable in gross income of the recipient under the Code and the Regulations. The City represents that the Project will be owned and operated by the City as part of the System, which is available to members of the general public on a substantially equal basis. The City will not enter into any lease, management agreement, use agreement, capacity agreement or other contract relating to the use of the Project and System by any non-governmental person which would cause the Bonds to be "private activity bonds" or "private loan bonds" under the provisions of Section 141 of the Code.

10.02 Certification. The Mayor and City Clerk-Administrator being the officers of the City charged with the responsibility for issuing the Bonds pursuant to this Resolution, are authorized and directed to execute and deliver to the Purchaser a certificate in accordance with the provisions of Section 148 of the Code, and applicable Regulations, stating the facts, estimates and circumstances in existence on the date of issue and delivery of the Bonds which make it reasonable to expect that the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of the Code and Regulations.

10.03. Arbitrage Rebate Exemption. (a) It is hereby found that the City has general taxing powers, that no Bond is a "private activity bond" within the meaning of Section 141 of the Code, that 95% or more of the net proceeds of the Bonds are to be used for local governmental activities of the City, and that the aggregate face amount of all tax-exempt obligations (other than private activity bonds) issued by the City and all subordinate entities thereof during the year 2023 is not reasonably expected to exceed \$5,000,000. Therefore, pursuant to Section 148(f)(4)(D) of the Code, the City shall not be required to comply with the arbitrage rebate requirements of paragraphs (2) and (3) of Section 148(f) of the Code.

(b) Notwithstanding the provisions of paragraph (a) of this Section 10.03, if the arbitrage rebate provisions of Section 148(f) of the Code apply to the Bonds, the City hereby covenants and agrees to make the determinations, retain records and rebate to the United States the amounts at the times and in the manner required by said Section 148(f) and applicable Regulations.

10.04. Qualified Tax-Exempt Obligations. The City hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code relating to the disallowance of interest expense for financial institutions, and hereby finds that the reasonably anticipated amount of qualified tax-exempt obligations (within the meaning of Section 265(b)(3) of the Code) which will be issued by the City and all subordinate entities during calendar year 2023 does not exceed \$10,000,000.

10.05. Reimbursement. The City certifies that the proceeds of the Bonds will not be used by the City to reimburse itself for any expenditure with respect to the Project which the City paid or will have paid more than 60 days prior to the issuance of the Bonds unless, with respect to such prior expenditures, the City shall have made a declaration of official intent which complies with the provisions of Section 1.150-2 of the Regulations; provided that this certification shall not apply (i)

with respect to certain de minimis expenditures, if any, with respect to the Project meeting the requirements of Section 1.150-2(f)(1) of the Regulations, or (ii) with respect to “preliminary expenditures” for the Project as defined in Section 1.150-2(f)(2) of the Regulations, including engineering or architectural expenses and similar preparatory expenses, which in the aggregate do not exceed 20% of the “issue price” of the Bonds.

Section 11. Continuing Disclosure. Limited Exemption from Rule. The Securities and Exchange Commission (the SEC) has promulgated certain amendments to Rule 15c2-12 under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12) (the Rule) that make it unlawful for an underwriter to participate in the primary offering of municipal securities in a principal amount of \$1,000,000 or more unless, before submitting a bid or entering into a purchase contract for the Bonds, it has reasonably determined that the City or an obligated person has undertaken in writing for the benefit of the bondholders to provide certain disclosure information to prescribed information repositories on a continuing basis or unless and to the extent the offering is exempt from the requirements of the Rule. The principal amount of the Bonds is less than \$1,000,000. The City hereby represents that it has not issued within the six months before the date of issuance of the Bonds, and that it reasonably expects that it will not issue within six months after the date of issuance of the Bonds, other securities of the City of substantially the same security and providing financing for the same general purpose or purposes as the Bonds. Consequently, this governing body hereby finds that the Rule is inapplicable to the Bonds, because the aggregate principal amount of the Bonds and any other securities required to be integrated with the Bonds thereunder is less than \$1,000,000. Therefore, the City is not required to enter into any undertaking to provide continuing disclosure with respect to the Bonds. In the event that the City provides material nonpublic financial information to any holder of the Bonds, it will simultaneously provide disclosure of such information on the MSRB website.

Sherrif Wallen presented the monthly incident report to the City Council.

Olsen presented the Public Works report to the City Council that included the AMI being installed, check valves installed, and Tri-State found that the forcemain/elbow piping going into Shoreview Lift One needs to be replaced in the near future.

Kent provided the following Engineering memo:

I&I EVALUATION | We will remove the flow meters from the sanitary sewer manholes and prepare a report describing the findings of this effort.

REISHUS PARK CERTIFICATE OF SURVEY | If the intent is for the entire ditch to be on city property, the City may want to consider a different north line than has been discussed to date.

MPCA WASTEWATER POND OPTIMIZATION GRANT APPLICATION | Congratulations!

The City of Cottonwood was selected by MPCA for a Wastewater Pond Capital Equipment Replacement Grant award in the amount of \$25,000.00. The city will need to coordinate with MPCA on this. We have developed a concept plan to complete the following work: Replace the main control/splitter structure where the forcemain discharges to the wastewater ponds. Replace one sluice gate, and add three new sluice gates, at some of the pond control structures.

We’ve connected public works staff with a material vendor to discuss potentially replacing gaskets on the existing slide gates. (A lower cost solution) We will prepare a cost estimate and solicit quotes or bids, depending on the estimated cost.

A motion by Joel Dahl to approve the CW Reishus Park Survey recommendations from Kent. Seconded by Shannon Geihl. Carried.

Bliss presented a budget memo to the City Council outlaying the anticipated Preliminary Certification on September 5th and Final Certification on December 5th.

Council reviewed the Fire Department July meeting minutes.

Council reviewed the Ambulance June meeting minutes.

LeeAnne updated the Council on Transmedic.

Joel Dahl asked why a new contract has not been issued from EMS|MC since the acquisition of Transmedic. Joel and other council members also shared his displeasure with the billing service that is being received from Transmedic since switching over and would not be opposed to bringing the billing back in house.

Corey Moseng stated that administration and council will have an aging report every two weeks until it is cleaned up and that there will not be another audit where large sums of money will be booked as outstanding, nor will the audit be delayed because of the ambulance billing.

Council discussed the motorized vehicle ordinances and the public hearing that is set for July 18th.

Council reviewed the building permit 2023_22 for a prefab shed for Corey and Michelle Moseng.

A motion by Shawn Myers to approve building permit 2023_22. Seconded by Joel Dahl. Carried.

Council reviewed the non-impervious surface building permit 2023_23 to 2023_26.

A motion by Shawn Myers to the non-impervious surface building permit 2023_23 to 2023_26. Seconded by Shannon Geihl. Carried.

Shannon Sweetman and Dominic Sweetman presented themselves for Sweetman Sanitation and asked the Council to open the garbage contract up for RFPs.

Don Williamson represented West Central Sanitation and that the current contract has an extension in it until a new contract can be established.

Bills were tabled until the next meeting.

A motion by Shawn Myers to adjourn the meeting. Seconded by Shannon Geihl. Carried at 900pm.

JULY 18, 2023 MEETING MINUTES OF THE CITY COUNCIL

A meeting of the Cottonwood City Council was held on Tuesday, July 18, 2023, 7:00 pm, in the Cottonwood Fire Hall with Corey Moseng, Shawn Myers, Joel Dahl, Shannon Geihl, and Mike Horner present. Also, present was City Administrator, Teather Bliss; and Lyon County Sheriff's Sergeant, Adam Connor. Present from the public was Shannon Sweetman, Dominic Sweetman, and Ray Sweetman.

Mayor Corey Moseng called the meeting to order and led in the Flag Pledge.

Motion by Shawn Myers to close the regular meeting. Seconded by Shannon Geihl. Carried.

Motion by Joel Dahl to open the public hearing. Seconded by Shawn Myers. Carried.

Bliss presented the following information:

Proposed for the public hearing is to repeal all local ordinances pertaining to ATVs, UTVs, Mini-Trucks, Golf Carts, and other Motorized Carts. The City would then just utilize Chapter 73 of the Minnesota Basic Code of Ordinances EXCEPT for the Hours of Operation which would be restated under a new ordinance for the City of Cottonwood under Title 17 Local Legislation.

CURRENT ORDINANCES | The current 2010 ordinances that regulate ATVs/UTVs/Golf Carts state the following:

ATVS: Section 3. Adoption of State Law By Reference. The provisions of Minnesota State Statutes Sections 84.82 through 84.929 are hereby adopted and made a part of this Ordinance as if set out in full. Said Sections define terms used in this Ordinance, require registration and licensing, restrict operation upon state and county highways, regulate necessary equipment and provide penalties for violations thereof.

Carts: Section 1. Adoption By Reference of MN Statute. Except as herein specifically addressed or modified, the provisions of MN Statute Section 169.045 are herewith incorporated by reference.

Looking into these statutes, which have changed numbering since 2010, show that the ordinances were covering everything stated in Chapter 73 just without spelling it all out – which can cause some confusion because residents and the Sheriff's Department have to look at two different locations for regulations.

No members of the public were present for the public hearing.

A motion by Joel Dahl to close the public hearing. Seconded by Shawn Myers. Carried

A motion by Shannon Geihl to open the regular meeting. Seconded by Shawn Myers. Carried at 7:19PM.

Rebecca Towne from Kinner Co. presented the 2022 financial audit report. A note for Council to consider is that the 2019 tanker fund does have a deficit and the general fund would need to consider forgiving it.

A motion by Joel Dahl to issue payment to Kinner Co totaling \$20,000. Seconded by Shawn Myers. Carried.

Council discussed the ATV ordinance language and that it include permit requirements, hours of operation, and prohibition of youth operation. Council also discussed making the permits free and for a lifetime as long as the individual owns the motorized vehicle.

The ordinances will be updated and presented at the next meeting.

Tasks for staff included bringing Revolving Loan Fund updates to the Council once the next meeting of the committee has concluded.

Council reviewed the bills totaling \$43,375.78.

A motion by Shawn Myers to pay the bills. Seconded by Mike Horner. Carried.

Council discussed a public hearing to adopt the 2023 revised MBC.

A motion by Mike Horner to set a public hearing for the adoption of the 2023 Revised Minnesota Basic Code on August 1, 2023 at 7:05PM in the Fire Hall. Seconded by Joel Dahl. Carried.

Shannon Sweetman, Ray Sweetman, and Dominic Sweetman presented themselves for Sweetman Sanitation and asked the Council to open the garbage contract up for RFPs.

A motion by Shawn Myers to adjourn the meeting. Seconded by Shannon Geihl. Carried at 820pm.

AUGUST 1, 2023 MEETING MINUTES OF THE CITY COUNCIL

A meeting of the Cottonwood City Council was held on Tuesday, July 11, 2023, 7:00 pm, in the Cottonwood Fire Hall with Corey Moseng, Shawn Myers, Joel Dahl, Shannon Geihl, and Mike Horner present. Also, present was City Administrator, Teather Bliss; Public Works Supervisor, Allen Olsen; Fire Chief, Dale Louwagie; City Engineer, Kent Louwagie; and Lyon County Sheriff's Sergeant, Steve Louwagie. Present from the public was Patrick Glimsdal, Wayne & Ronda Erbes, Chris Keleher, Paul & Kari Schuld, West Central Sanitation Owner, Don Williamson, and DNR Hydrologist, Kyle Jarcho.

Mayor Corey Moseng called the meeting to order and led in the Flag Pledge.

Council reviewed the June 20, 2023 Meeting Minutes.

A motion by Mike Horner to approve the June 20, 2023 Meeting Minutes of the Cottonwood City Council. Seconded by Shawn Myers. Carried.

Council reviewed the July 11, 2023 Meeting Minutes.

A motion by Shawn Myers to approve the July 11, 2023 Meeting Minutes of the Cottonwood City Council. Seconded by Mike Horner. Carried.

Council reviewed the July 18, 2023 Meeting Minutes.

A motion by Shannon Geihl to approve the July 18, 2023 Meeting Minutes of the Cottonwood City Council. Seconded by Joel Dahl. Carried.

Sergeant Louwagie presented the monthly incident report to the City Council.

Dale Louwagie presented the news to the City Council that the fire department was awarded \$157,800 in FEMA grant money for air packs and a high-pressure fill station.

Council reviewed the July Ambulance Meeting Minutes.

Council reviewed Drawdown 24 for SCDP in the amount of \$22,500.

A motion by Shannon Geihl to pay Drawdown 24. Seconded by Shawn Myers. Carried.

A motion by Shannon Geihl to close the regular council meeting. Seconded by Shawn Myers. Carried.

A motion by Joel Dahl to open the Public Hearing for the 2023 Revised Minnesota Basic Code of Ordinances. Seconded by Mike Horner. Carried.

Bliss presented the information to the Council on the updating of the MBC to the newest version. There were no comments, written or oral, pertaining to the public hearing and no one attended the meeting to discuss the Public Hearing.

A motion by Shawn Myers to close the public hearing. Seconded by Shannon Geihl. Carried.

A motion by Joel Dahl to open the regular council meeting. Seconded by Mike Horner. Carried at 7:07pm.

Kyle Jarcho attended the city council meeting to provide the City Council with an update on the

Cottonwood Lake project and discuss the need for the City to look at each variance request carefully and with the water component in mind for each. Jarcho explained that the City needs to update its zoning ordinances, especially pertaining to the shoreland. The Cottonwood Lake project is a three-prong approach that involves the City zoning, the County Ditch, and the Golf Course retention needs.

Council reviewed the garbage service contract for West Central Sanitation.

A motion by Shawn Myers to renew the contract with West Central Sanitation. Seconded by Joel Dahl. Carried.

Bliss presented the closing documents for Council review from the 2023A Bond Sale.

Bliss presented the final ordinances for approval:

ORDINANCE NO. 2023-02

AN ORDINANCE REPEALING THE LOCAL LEGISLATION WITHIN TITLE XVII RELATING TO AND REGULATING THE USE AND OPERATION OF ALL-TERRAIN VEHICLES (ATVS), MINI-TRUCKS, UTILITY TASK VEHICLES (UTVS), GOLF CARTS, AND OTHER MOTORIZED CARTS IN THE CITY OF COTTONWOOD

The City Council of the City of Cottonwood, Minnesota, hereby ordains:

Section 1. Applicability. All local legislation enacted within Title XVII of the Minnesota Basic Code of Ordinances relating to the use and operation of all All-Terrain Vehicles (ATVs), Mini-Trucks, Utility Task Vehicles (UTVs), Golf Carts, and Other Motorized Carts is repealed.

Section 2. Repeal. All ordinances, resolutions and acts and proceedings of the City and of the Council which are inconsistent with the terms of the Ordinance are hereby amended or repealed to the extent necessary to give full force and effect to this Ordinance.

A motion by Shawn Myers to approve Ordinance 2023-02. Seconded by Joel Dahl. Carried.

ORDINANCE NO. 2023-03

LOCAL LEGISLATION WITHIN TITLE XVII RELATING TO AND REGULATING THE USE AND OPERATION OF ALL-TERRAIN VEHICLES (ATVS), MINI-TRUCKS, UTILITY TASK VEHICLES (UTVS), GOLF CARTS, AND OTHER MOTORIZED CARTS IN THE CITY OF COTTONWOOD

The City Council of the City of Cottonwood, Minnesota, hereby ordains:

Section 1. Applicability. This Ordinance applies to the operation of all-terrain vehicles (ATVs), mini-trucks, utility task vehicles (UTVs), golf carts, and other motorized carts on public roadways, public lands, private property, and public rights-of-way within the boundaries of the City of Cottonwood.

Section 2. Conditions. All-terrain vehicles (ATVs), mini-trucks, utility task vehicles (UTVs), golf carts, and other motorized carts may only be operated on designated routes from sunrise to sunset, unless equipped with original equipment headlights, taillights, and rear-facing brake lights. They shall not be operated during inclement weather or when visibility is impaired by weather, smoke, fog or other conditions, or any time when there is insufficient visibility to clearly see persons and vehicles on the roadway at a distance of 500 feet.

Section 3. Permits Required. No person shall operate an all-terrain vehicles (ATVs), mini-trucks, utility task vehicles (UTVs), golf carts, and other motorized carts on streets, alleys, sidewalks or other public property without obtaining a permit as provided herein. Every application for a permit shall be made on a form supplied by the city and shall contain the following information:

- The name and address of the applicant;
- The nature of the applicant's physical handicap, if any;

- Model name, make and year and number of the motorized golf cart, utility task vehicle or mini truck;
- Current driver's license or reason for not having a current license; and
- Other information as the city may require.
- The annual permit fee shall be as set forth in the Ordinance Establishing Fees and Charges adopted pursuant to § [30.11](#) of this code, as that ordinance may be amended from time to time.
- Permits shall be granted for the lifetime of ownership
- No permit shall be granted or renewed unless the following conditions are met:
 - The applicant must demonstrate that he or she currently holds or has held a valid Minnesota driver's license to operate a mini truck;
 - The applicant may be required to submit a certificate signed by a physician that the applicant is able to safely operate a motorized golf cart, utility task vehicle or mini truck on the roadways designated;
 - The applicant must provide evidence of insurance in compliance with the provisions of Minnesota Statutes concerning insurance coverage for the golf cart, utility task vehicle or mini truck;
 - The applicant has not had his or her driver's license revoked as the result of criminal proceedings.
- All-terrain vehicles (ATVs), mini-trucks, utility task vehicles (UTVs), golf carts, and other motorized carts are permitted to operate only on city streets, not state or federal highways, except to cross at designated intersections.

Section 4. Youthful Operation. The operation of all-terrain vehicles (ATVs), mini-trucks, utility task vehicles (UTVs), golf carts, and other motorized carts by persons under the age of 16 is strictly prohibited.

A motion by Shawn Myers to approve Ordinance 2023-03. Seconded by Shanno Geihl. Carried.

Olsen presented the Public Works report to the City Council. Residents on 5th & Front would like the road closed for their National Night Out gathering.

A motion by Shawn Myers to close Front Street from 5th to 4th Street for National Night Out. Seconded by Mike Horner. Carried.

Kent Louwagie presented information to the City Council regarding the soil borings for Shoreview Drive, Tom Christy Lane, and Shoreview Pass. 11 borings would be done and would determine the state of the road. The cost for American Engineering Testing would be \$4,800.

A motion by Mike Horner to approve the soil borings from American Engineering Testing. Seconded by Shawn Myers. Carried.

Bliss presented the following administration update:

CURRENT WEBSITE | GovOffice/Catalis annual fee in 2022 was \$660.00 for webhosting. To maintain the current domain it is \$100 annually. We currently pay \$100 annually for email services. For 2023 we have budgeted \$900 for the website.

In June we received an email that there would be price increases from GovOffice/Catalis for the September 1st web hosting annual renewal, the price increase would be \$1,995 with an increase each year. The price includes the current features we have without factoring in email or domain charges.

Our new charges for 2023 would total \$2,295 which is a 250% increase from our current budgeted expense for the website. The web hosting fees are a 300% price increase that was not planned or budgeted.

Currently the only expense we have with GovOffice/Catalis is \$200 for the domain and emails.

MUNIBIT | The website that I have demoed currently is Munibit. A few features that Munibit offers that we currently do not have are a customizable page, website live alerts, or online booking features for city facilities.

The price for Munibit is all inclusive support, training, startup for \$49/month or \$588 annually. With the included costs we have with GovOffice and 6 months of Munibit we would be coming in under budget for the website by roughly \$500.

.GOV | Because we currently have a registered domain that we pay for, the Munibit Representative recommended going to a .gov website and email addresses as they are free for local governments.

The City may still have to pay for our domain and emails for one more year following the switch just to ensure that we are covering the transition well enough but after that there will not be cost associated with a domain or email provider.

PAYAGOV | Another feature that I have demoed is an online payment system that will allow citizens to view their bills online, receive city updates through a notification system, pay with text/ach/debit/credit, and is compatible with Banyon.

Currently the feature is free from Paya for 3 years and \$195 annually for the module support with Banyon. There is a processing fee that the citizen does have to pay to Paya. 2.75% on debit/credit cards and \$1.10 for ACH/EFT.

RECOMMENDATION | Apply for a .gov website – cityofcottonwoodmn.gov or cottonwoodmn.gov then set up the corresponding email addresses. Switch web services from GovOffice/Catalis to Munibit. Funds saved from website switch applied to the \$195 for the Banyon module of PAYAGOV.

A motion by Shannon Geihl to approve the website change from .com to .gov. Seconded by Shawn Myers. Carried.

A motion by Shawn Myers to switch webhosts from GovOffice to Munibit. Seconded by Joel Dahl. Carried.

A motion by Shawn Myers to approve the three-year proposal with PayaGov. Seconded by Shannon Geihl. Carried.

A motion by Shawn Myers to approve Ordinance 2023-01 Adoption of the 2023 Revised Minnesota Basic Code. Seconded by Mike Horner. Carried.

Bliss presented a quote totaling \$9,935.00 to the City Council for a playground border that would be installed at City Park along with an ADA Ramp.

A motion by Shannon Geihl to approve the purchase of the border & ramp. Seconded by Shawn Myers. Carried.

Council reviewed a draft Ordinance pertaining to Cannabis Use on Public Property. The public hearing is set for September 5, 2023 at 7:05pm.

Council reviewed the utility permit for Minnesota Energy.

A motion by Shawn Myers to approve the utility permit. Seconded by Mike Horner. Carried.

Council reviewed building permit 2023_26 on Tom Christy Lane.

A motion by Shannon Geihl to approve permit 2023_26. Seconded by Joel Dahl. Carried.

Council reviewed building permit 2023_27 at 750 West 1st Street.

A motion by Shawn Myers to approve building permit 2023_27 at a max of 250 square feet. Seconded by Mike Horner. Carried.

Council reviewed the non-impervious surface building permit 2023_29 to 2023_32.

A motion by Shawn Myers to the non-impervious surface building permit 2023_29 to 2023_32. Seconded by Mike Horner. Carried.

Council requests for staff were the removal of the fence at the Lake Street retention pond, office closings during the summer, and a report on the winter parking on 1st Street.

A motion by Shannon Geihl to remove the fence at the Lake Street retention pond. Seconded by Shawn Myers. Carried.

Bills were reviewed totaling \$45,978.85.

A motion by Joel Dahl to pay the bills. Seconded by Shawn Myers. Carried.

Council reviewed the notice of the landowner meeting presented by Lyon County Soil & Water.

Patrick Glimsdal attended the meeting to file a complaint with the Council pertaining to a lot on Northwood that is baled but has excessive grown grass and alfalfa. The lot in question is 355 Northwood Drive which is owned by Corey and Michelle Moseng.

Bliss asked Glimsdal for the record, if the same complaint is to also be applied to lots owned by Perry Penske and Terry & Linda Dieken who also have lots that are either baled or have spots of overgrown grass. In which the response was, the rules should apply to all.

The council requested that Bliss look into ordinances pertaining to lots being used for baling.

A motion by Shawn Myers to adjourn the meeting. Seconded by Shannon Geihl. Carried at 850pm.

SEPTEMBER 5, 2023 MEETING MINUTES OF THE CITY COUNCIL

A meeting of the Cottonwood City Council was held on Tuesday, September 5, 2023, 7:00 pm, in the Cottonwood Fire Hall with Shawn Myers, Joel Dahl, Shannon Geihl, and Mike Horner present. Also, present was City Administrator, Teather Bliss; Public Works Supervisor, Allen Olsen; and Lyon County Sheriff, Eric Wallen.

Mayor Corey Moseng was absent.

Vice Mayor Shawn Myers called the meeting to order and led in the Flag Pledge.

Sheriff Wallen presented the monthly incident report to the City Council.

Council reviewed the August meeting minutes of the Cottonwood Ambulance Service.

Council reviewed an updated financial report of the RLF & SCDP Committee.

Council reviewed the consent agenda that included Resolution 2023_0905 Ambulance Donation from Anonymous totaling \$100.

A motion by Mike Horner to approve the consent agenda. Seconded by Shannon Geihl. Carried.

A motion by Joel Dahl to close the regular meeting. Seconded by Shannon Geihl. Carried.

A motion by Shannon Geihl to open the public hearing on Cannabis Use in Public. Seconded by Joel Dahl. Carried.

Bliss presented the ordinance prohibiting Cannabis Use in Public. No members of the community were present for the public hearing and no comments, either written or verbal were received by the City Administration regarding the public hearing.

A motion by Mike Horner to close the public hearing on Cannabis Use in Public. Seconded by Shannon Geihl. Carried at 7:10pm.

A motion by Shannon Geihl to open the Variance hearing at 290 Front Street. Seconded by Mike Horner. Carried at 7:10pm.

Application for a variance from Section 2305.5 (D) of the Zoning Ordinance of the City of Cottonwood to permit construction on the lot at 290 Front Street, a deck addition onto a nonconforming addition will fall within the Ordinary High Water Level setbacks of Cottonwood Lake. Per Section 2303.3, structures shall have a setback of 50 feet from the Ordinary High-Water Level. The current nonconforming structure is located 36 feet from the Ordinary High-Water Level and the addition of a 20x14 deck will result in a setback of 22 feet from the Ordinance High Water Level.

Notice for the variance was hand delivered to all property owners. No members of the community were present for the public hearing and no comments, either written or verbal were received by the City Administration regarding the public hearing.

A motion by Joel Dahl to close the variance hearing for 290 Front Street and open the regular meeting. Seconded by Mike Horner. Carried at 7:28pm.

Council discussed the Senior Citizen Center. A business in town is currently looking for a new facility and allowing them to move into the building would be a good option.

Bliss will look into whether there is a possibility of selling the building without sealed bids. Joel Dahl suggested talking with the City Attorney about transferring the building to the EDA as they can sell property without bidding.

Al Olsen presented an update on the public works department. The Street Sweeper would be delivered on September 11. A quote to line the manholes in the Barstad ditch and behind Myrvik's, the quote would be for \$22,601.80. Watermain break was repaired, 55-60 feet of new line was replaced. Third Street Storm Sewer was repaired.

A motion by Joel Dahl to approve the quote for manhole lining totaling \$22,601.80. Seconded by Mike Horner. Carried.

Bliss presented a cost breakdown to the Council on the main street project. Lots 1&2 will be combined into one lot, Lots 3&4 will be combined into one lot, and Lots 5&6 will be combined into one lot.

Lot No.	ID	Property Address	Lot	HazMat	Demo	Grant/Donations	TOTAL
1	Blue Bldg	56 West Main	\$15,000.00	\$ 7,880.00	\$ 15,000.00	\$ (25,000.00)	\$ 12,880.00
2	Empty Lot	48 West Main	\$15,000.00	\$ -	\$ 5,000.00	\$ -	\$ 20,000.00
3	Pool Hall	40 West Main	\$15,000.00	\$14,845.27	\$ 28,000.00	\$ (25,000.00)	\$ 32,845.27
4	Meat Locker	32 West Main	\$15,000.00	\$11,024.85	\$ 35,000.00	\$ (25,000.00)	\$ 36,024.85
5	Golberg Bldg	20 West Main	\$15,000.00	\$11,280.00	\$ 35,000.00	\$ (15,000.00)	\$ 46,280.00
6	Triangle Bldg	1 Barstad Road	\$15,000.00	\$ 9,220.00	\$ 13,906.00	\$ (25,000.00)	\$ 13,126.00
			\$ 90,000.00	\$ 54,250.12	\$ 131,906.00	\$ (115,000.00)	\$ 161,156.12

Council reviewed Drawdown 25 totaling \$20,000

A motion by Shannon Geihl to approve Drawdown 25. Seconded by Mike Horner. Carried.

Council reviewed the CERTIFICATE OF RESOLUTION AUTHORIZING CONVEYANCE TO JAMES M. SCHRUPP AND KATHRYN SCHRUPP.

Correction needs to be made to page 3 of the Certificate as it lists information for Lincoln County.

A motion by Joel Dahl to approve CERTIFICATE OF RESOLUTION

AUTHORIZING CONVEYANCE TO JAMES M. SCHRUPP AND KATHRYN SCHRUPP with the needed changes. Seconded by Mike Horner. Carried.
Council reviewed building permit 2023_38 for 290 Front Street as well as Resolution 2023_0905A Finding of Facts for 290 Front Street

RESOLUTION NO. 2023_0905A

**A RESOLUTION ADOPTING FINDINGS OF FACT AND REASONS FOR
APPROVAL FOR VARIANCE APPLICATION OF DARWIN & DEB VERMAAT AT
290 FRONT STREET.**

FACTS

1. Darwin & Deb Vermaat are the owners of a parcel of land located at 290 Front Street, Cottonwood, Minnesota 56229; and,
2. The subject property is legally described as; *Tyler Schultz 2nd Addition Lot 5 Block 20 & Ely 20 feet Vacated 3rd Street* and,
3. Darwin & Deb Vermaat has applied to the city for a variance at 290 Front Street for a 20x14 deck as described in Exhibit B.
4. The proposal would vary from Ordinance 2311.2 Additions/expansions to nonconforming structures: in that the deck encroachment towards the Ordinance High Water Level does not exceed 15 percent of the existing setback of the structure from the Ordinance High Water Level or does not encroach closer than 30 feet, whichever is more restrictive.
5. Following a public hearing on the application, the City Council of the City of Cottonwood reviewed the requested variance at its meeting on September 5, 2023.
6. On September 5, 2023 the City Council of the City of Cottonwood approved the variance.

APPLICABLE LAW

7. Minnesota Statute Section 462.357, subdivision 6 provides:
 - a. Variances shall only be permitted (a) when they are in harmony with the general purposes and intent of the ordinance and (b) when the variances are consistent with the comprehensive plan.
 - b. Variances may be granted when the applicant for the variance establishes that there are practical difficulties in complying with the zoning ordinance. "Practical difficulties," as used in connection with the granting of a variance, means that (a) the property owner proposes to use the property in a reasonable manner not permitted by the zoning ordinance; (b) the plight of the landowner is due to circumstances unique to the property not created by the landowner; and (c) the variance, if granted, will not alter the essential character of the locality.
8. City Zoning Ordinance 93-2 states that variances may only be granted in accordance with Minnesota Statutes, 462, as applicable, A variance may not circumvent the general purposes and intent of this ordinance. No variance may be granted that would allow any use that is prohibited in the zoning district in which the subject property is located. Conditions may be imposed in the granting of a variance to ensure compliance and to protect adjacent properties and the public

interest. In considering a variance request, the board of adjustment must also consider whether the property owner has reasonable use of the land without the variance, whether the property is used seasonally or year-around, whether the variance is being requested solely on the basis of economic considerations, and the characteristics of development on adjacent properties.

CONCLUSIONS OF LAW

1. Harmony with the purposes and intent of the ordinance does not apply as the city does not have an ordinance specific to variances.
2. Consistency with the comprehensive plan does not apply because the property is designated residential and will continue to be utilized as residential.
3. The property owner does propose to use the property in a reasonable manner because the variance will be met with shoreland stabilization and runoff prevention techniques put in place by the property owner.
4. There are unique circumstances to the property not created by the landowner because the housing addition is a nonconforming structure that the deck will be attached to as well as years of bank erosion that has left property lose on the shoreland.
5. The variance will maintain the essential character of the locality because of the shoreland revitalization for wildlife habitat improvement and bank stabilization.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COTTONWOOD, MINNESOTA AS FOLLOWS:

The application to issue a variance to allow Darwin & Deb Vermaat the construction of deck at 290 Front Street that will lie 22 feet from the shoreland where the standard setback is 50 feet.

Passed by the City Council of Cottonwood, Minnesota this fifth day of September 2023.

A motion by Joel Dahl to approve Building Permit 2023_28 and Resolution 2023_0905A.
Seconded by Mike Horner. Shannon Geihl Abstained. Carried.

Council reviewed Ordinance 2023-04 Cannabis Use in Public that states the following:

ORDINANCE NO. 2023-04 AN ORDINANCE PROHIBITING CANNABIS USE WITHIN PUBLIC PROPERTY AND PUBLIC PLACES

The City Council of the City of Cottonwood, Minnesota, hereby ordains:

Section 1. Applicability. This Ordinance applies to Cannabis use within public property and public places.

Section 2. Definitions.

Public Place means property that is generally open to or accessible by the public, except on those premises licensed by the State of Minnesota to permit on-site consumption.

Public Property means property, real and personal, that is owned, managed, or controlled by the City, including, but not limited to: City buildings and all the land thereon, parking lots, parks, golf courses, pathways and trails, and city rights-of-way consisting of both the traveled portion and the abutting boulevard, sidewalks and trails, and any City personal property, such as motor vehicles, city equipment, and the like.

Cannabis flower, cannabis products, lower-potency hemp edibles, and hemp derived consumer products shall have the meanings as defined in Minnesota Statute §342.01 (enacted under Minnesota Law 2023).

Section 3. Prohibition. No Person shall use cannabis flower, cannabis products, lower-potency hemp edibles, or hemp derived consumer products within public property or in a public place.

Section 4. Penalty. Any person who violates any provisions pursuant to this section shall be guilty of a petty misdemeanor and shall be subject to immediate removal from the public property or public place by law enforcement.

Section 5. Effective Date. This Ordinance shall be in full force and effect from and after its passage and publication according to law.

Passed and adopted by the City Council this fifth day of September 2023.

Council reviewed the bills totaling \$135,313.48

Bliss updated council that the sidewalk project was complete at City Park. SchmidtyBuilt would be sending a bill for the work that would estimate around \$8,000 and is budgeted for this year.

A motion by Joel Dahl to pay the bills. Seconded by Mike Horner. Carried.

A motion by Mike Horner to adjourn the meeting. Seconded by Shannon Geihl. Carried at 830pm.

SEPTEMBER 19, 2023 MEETING MINUTES OF THE CITY COUNCIL

A meeting of the Cottonwood City Council was held on Tuesday, September 5, 2023, 7:00 pm, in the Cottonwood Fire Hall with Corey Moseng, Shawn Myers, Joel Dahl, Shannon Geihl, and Mike Horner present. Also, present was City Administrator, Teather Bliss; Public Works Supervisor, Allen Olsen; Lyon County Sheriff, Eric Wallen; and City Engineer, Kent Louwagie. Mike Maxwell present for Maxwell Masonry.

Mayor Corey Moseng called the meeting to order and led in the Flag Pledge.

Council reviewed the minutes from August 1, 2023.

A motion was made by Shawn Myers to approve the August 1, 2023 City Council minutes. Seconded by Shannon Geihl. Carried.

Jason Overby presented updated information to the City Council on the status of the north project as well as a potential site in Vallers Township for LPRW water tower. Jason also updated Council that with the letter of support that was sent out from Cottonwood, LPRW was also selected for Senate Committee's Capital Bonding Tour and would be meeting with the Committee the day after Cottonwood presents to the Senate Committee.

Bliss stated that Jason Overby had wrote Cottonwood in as a place holder for USDA Rural Development Funding and if Cottonwood does not have intentions to hook up to Rural Water then Jason needs to know so that he can pursue another community to include for USDA Funding.

Joel Dahl wants more information which includes a public hearing for the community because we have a water source, put money into both wells, and should not hook onto rural water just so the golf course can have a water supply.

Bliss assured that the golf course cannot be apart of Rural Water per Rural Water policies so that was never a consideration for Rural Water, the consideration for Rural Water came from the fact that Cottonwood has hard water, rich in elements that are hard on households.

Mike Horner asked Jason Overby what the costs were for a community and what the timeline would look like for Cottonwood to connect.

Jason stated that the current timeline is still a connection date of 2027. The cost for communities is \$3.10 per 1,000 gallons of water. The initial buy in that was quoted to Cottonwood last year was \$3,900,000.

The next steps for the City will be to hold a public hearing to see if there is enough public interest in pursuing Rural Water or if the construction of a treatment facility is a better option.

Bliss updated the council on issues with the AC Unit in the Senior Center. It will need to be replaced and cost effectively, adding heating with the unit would be the best route.

Council suggested looking into insurance coverage for the unit if it was due to the storm and we only are finding out now because we just got power back to the building since the damage occurred.

Sheriff Wallen presented the Sheriff's Office monthly incident report. He also updated that multiple calls have come in about a man walking on the highway, it was resident Joe Rains from Cottonwood, and he has told the deputies that responded – he is done with Minnesota and is walking to South Dakota.

Al Olsen presented an update on the public works department. The siren behind Legend is not working – West Central Communications will be out to check on it. Manhole rings are done on the manholes in the Barstad ditch and by Myrviks. The fence around the retention pond on Lake Street is gone.

John Murphy was asking if he is able to dig in the road in order to have a plumber fix the sewer line at the apartments on Prairie Street. Because Murphy does have a business for dirt work, he would need to produce a certificate of insurance with the appropriate amount of coverage in order to do work within the City Road.

A motion by Joel Dahl to approve the quote for manhole lining totaling \$22,601.80. Seconded by Mike Horner. Carried.

Kent Louwagie presented information to the City Council regarding the meeting with Lyon County Engineer, Aaron VanMoer, about the needs for replacing Main Street water main. The project would include removing everything from building to building between Barstad and West 2nd Street in order to make everything ADA compliant, replace the watermain, replace the service lines to all the buildings, install new curb stops, and a new road. The water main would also be directional bored under the railroad and then minimal road disruption on East Main Street.

Bliss presented updated collateral to the Council.

Bliss presented different location options for the temporary PO Boxes that would be delivered on Wednesday. The requirements for placement are on public property and a paved surface. The council discussed each location before determining placing the boxes on the north side of the fire hall.

A motion by Shawn Myers to place the boxes on the north side of the fire hall. Seconded by Joel Dahl. Mike Horner opposed. Carried.

Bliss presented a new contract with EMS|MC, the new contract will help with meeting audit standards for the Minnesota Department of Revenue Recapture and no change occurs with pricing.

A motion by Shawn Myers to approve the new EMS|MC billing contract. Seconded by Joel Dahl. Carried.

Council reviewed the September Meeting Minutes of the Cottonwood Fire Department.

LeeAnne Boehne updated the Council on the billing services of EMS|MC – LeeAnne and Teather spent a few days going through all of the accounts on the Account Receivable as well as having a zoom meeting with Beth from EMS|MC going through each account. After what has been gone through, LeeAnne and Teather are both satisfied with the progress that has been made.

Mike Maxwell presented a quote to the City Council on the repairing of the west side of the library. Due to sheets of stucco type material being placed on the side of the building, the brick and mortar are deteriorating. In order to fix the wall, 4 inches of brick would need to be removed from the wall and replaced. The cost to do the work is quoted at \$19,064.00

A motion by Joel Dahl to approve the quote from Maxwell Masonry. Seconded by Shannon Geihl. Carried.

Bliss briefly presented the Neptune 360 Customer Portal – the cost is \$10,000 for an initial setup. As of right now it is not a need and funds are need elsewhere within water and sewer.

A motion by Shannon Geihl to approve building permit 2023_33. Seconded by Joel Dahl. Carried.

A motion by Joel Dahl to approve building permit 2023_34. Seconded by Shawn Myers. Carried.

Council reviewed building permit 2023_42 at 42 East 4th Street.

A motion by Shawn Myers to approve building permit 2023_42. Seconded by Joel Dahl. Carried.

Council reviewed building permit 2023_43 at 93 East Prairie Street.

A motion by Mike Horner to approve building permit 2023_43. Seconded by Joel Dahl. Carried.

Council reviewed the bills totaling \$22,779.44

A motion by Shawn Myers to pay the bills. Seconded by Joel Dahl. Carried.

Bliss updated the Council that the October 3rd meeting would need to be moved due to staff presenting the Cottonwood capital bonding request to the Senate Committee at SMSU. The meeting will be officially changed to October 10th.

Council discussed the need for a third staff member in the office. All members of the council agreed and wanted an advertisement prepared with a job description.

A motion by Shawn Myers to adjourn the meeting. Seconded by Shannon Geihl. Carried at 930pm.

SEPTEMBER 27, 2023 SPECIAL MEETING MINUTES OF THE CITY COUNCIL

A meeting of the Cottonwood City Council was held on Tuesday, September 27, 2023, 7:00 pm, in the Cottonwood Fire Hall with Corey Moseng, Shawn Myers, Joel Dahl, Shannon Geihl, and Mike Horner present. Also, present was City Administrator, Teather Bliss and Public Works Supervisor, Allen Olsen

Mayor Corey Moseng called the meeting to order and led in the Flag Pledge.

To: Cottonwood City Council

The City of Cottonwood's Year 2024 Preliminary Budget Proposal is herein presented for your review and consideration. In the development of this budget proposal, efforts have been made to ensure that each City fund is self-sufficient as a stand-alone entity. After the Truth in Taxation Hearing the final levy will be submitted to Lyon County, certified to the State of Minnesota, and the final budget will be uploaded to the Minnesota Management and Budget Department.

Local Government Aid (LGA) assistance has increased for 2024, new legislation has changed the formula in which LGA is determined to better benefit smaller government entities. The total for 2024 is amount of \$377,713.00; an increase in the amount of \$34,516.00 from 2024.

The Governor's biennium budget included \$10 million in FY 2024 and \$10 million in FY 2025 for the Small Cities Assistance Account, an account that provides street funding for cities with populations below 5,000 that do not receive constitutionally dedicated transportation funds. \$29,358.00 is the amount Cottonwood will receive for 2024 that is to be utilized towards transportation.

The City's proposed PRELIMINARY tax levy for payable 2024 real estate taxes is proposed at a 7.79% increase; however, with a preliminary market value of \$102,562,700 at 1% the estimated tax base increase is 5.6%, a net increase of 2.16%.

Projects and Equipment Purchases

The Capital Improvement Plan accounts for \$102,500 within the 2024 Preliminary Budget.

New council chambers in the new office location totals \$10,000 (Line 36)

Relocation of the City Office totals \$45,000 (Lines 75 & 76)

Mill & Overlay of Lake Street totals \$60,000 (Line 107)

Lease Payment & Snow Blower Purchase totals \$55,740 (Line 127)

40% of the Vac Truck Lease Payment totals \$21,000 (Line 135)

Roof repairs of the Library Garage totals \$20,000 (Line 186)

A grand total of \$211,740 in capital projects and purchases.

RESOLUTION NO. 2023_0927
ADOPTION OF 2024 PRELIMINARY TAX LEVY

BE IT RESOLVED, by the City Council of the City of Cottonwood, County of Lyon, Minnesota, that the following sums of money be levied for the current year, collectible in 2024, upon the taxable property in the City of Cottonwood, for the following purposes:

General Fund Levy	\$725,000.00
EDA Special Levy	\$15,000.00
Principal & Interest on 2012 City Maintenance Shop Lease	\$22,155.00
Principal & Interest on 2016 Fire Hall/Ambulance Garage Lease	\$54,558.00
Principal & Interest on 2016 GO Improvement Bonds	<u>\$128,415.00</u>
Total Proposed Certified Tax Levy	\$945,128.00

BE IT RESOLVED, by the City Council of the City of Cottonwood, County of Lyon, Minnesota, that the attached document is hereby approved as the 2024 Tax Levy of the City of Cottonwood.

IN WITNESS WHEREOF, the City of Cottonwood, Minnesota, by its City Council, has caused this Resolution to be executed on its behalf by the signatures of the Mayor and City Administrator and has caused this Resolution to be certified to the County Auditor of Lyon County, Minnesota, as of the date set forth below.

Adopted and passed by the City Council of Cottonwood, Minnesota this twenty-seventh day of September 2023.

A motion by Shawn Myers to approve Resolution 2023_0927. Seconded by Joel Dahl. Carried.

RESOLUTION NO. 2023_0927A
ADOPTION OF 2024 PRELIMINARY BUDGET SUMMARY

BE IT RESOLVED, by the City Council of the City of Cottonwood, County of Lyon, Minnesota, that the information provided below is hereby approved as the 2024 Preliminary General Fund Budget of the City of Cottonwood.

2024 PRELIMINARY BUDGET SUMMARY		
DEPARTMENT	TWENTY THREE	TWENTY FOUR
PROPERTY TAX LEVY	\$ 625,000.00	\$ 725,000.00
GENERAL FUND	\$ 533,229.00	\$ 434,425.00
DEBT SERVICES	\$ 172,613.00	\$ 215,791.00
GENERAL & DEBT REVENUES	\$ 1,330,842.00	\$ 1,375,216.00
GENERAL ADMINISTRATION	\$ 333,295.00	\$ 405,240.00
PUBLIC SAFETY	\$ 125,994.00	\$ 124,590.00
PUBLIC WORKS	\$ 503,800.00	\$ 491,840.00
RECREATION	\$ 192,286.00	\$ 137,536.00

DEBT SERVICES - PRINCIPAL	\$ 171,000.00	\$ 179,000.00
DEBT SERVICES - INTEREST & FEES	\$ 58,030.00	\$ 74,000.00
DEBT SERVICE FUND BALANCES	-\$ 56,417.00	-\$ 37,209.00
GENERAL & DEBT EXPENSES	\$ 1,327,988.00	\$ 1,374,997.00
GENERAL PROFIT & LOSS	\$ 2,854.00	\$ 219.00

IN WITNESS WHEREOF, the City of Cottonwood, Minnesota, by its City Council, has caused this Resolution to be executed on its behalf by the signatures of the Mayor and City Administrator and has caused this Resolution to be certified to the County Auditor of Lyon County, Minnesota, as of the date set forth below.

Adopted and passed by the City Council of Cottonwood, Minnesota this twenty-seventh day of September 2023.

A motion by Mike Horner to approve Resolution 2023_0927A. Seconded by Shawn Myers. Carried.

A motion by Shannon Geihl to move the first meeting in December to December 12th at 700pm. Seconded by Joel Dahl. Carried.

November 21st at 6pm will be a final budget work session.

Motion by Shawn Myers to adjourn the meeting. Seconded by Shannon Geihl. Carried at 7:05pm

OCTOBER 10, 2023 MEETING MINUTES OF THE CITY COUNCIL

A meeting of the Cottonwood City Council was held on Tuesday, October 10, 2023, 7:00 pm, in the Cottonwood Fire Hall with Shawn Myers, Joel Dahl, Shannon Geihl, and Mike Horner present. Also, present was City Administrator, Teather Bliss; Public Works Supervisor, Allen Olsen; and Lyon County Sheriff's Sergeant, Adam Connor. Present from the public was Wayne Erbes. Corey Moseng was absent.

Vice Mayor Shawn Myers called the meeting to order and led in the Flag Pledge.

Council reviewed the August 15, 2023 meeting minutes.

A motion by Shannon Geihl to approve the August 15, 2023 Meeting Minutes of the Cottonwood City Council. Seconded by Mike Horner. Carried.

Council reviewed the September 5, 2023 meeting minutes.

A motion by Joel Dahl to approve the September 5, 2023 Meeting Minutes of the Cottonwood City Council. Seconded by Mike Horner. Carried.

Council reviewed the September 19, 2023 meeting minutes.

A motion by Shannon Geihl to approve the September 19, 2023 meeting minutes of the Cottonwood City Council. Seconded by Joel Dahl. Carried.

Bliss presented follow up information on:

SENIOR CENTER | Working with Cottonwood Coop and League Insurance to establish if it is a result of the May 2022 storms.

LIBRARY | Quote to redo the Library roof is included in the packet. The dollar amount to redo the brick will take \$19,000 of the remaining \$20,500 left in the Library budget. In order to stay on top of these facilities, the roof of the garage needs to be redone so that the inside of the garage can be repaired from major roof leaks. The price quoted by Nathan Lange to redo the roof has come down from prior pricing to total \$11,971.25 – this will also give us the opportunity to redo the stretch of brick that is already protected above Hot Looks.

CITY OFFICE | The relocation of the City Office is found in the Administration budget under Buildings and Structure for \$35,000 with an additional \$20,000 in the 2024 budget.

ARPA FUNDS | Included with the follow up information is the spreadsheet for the ARPA Funds – remaining balance is \$90,474.73.

RURAL WATER HEARING | Included you will find the results of the Poll that was put on Facebook. There was a response from a total of 152 individuals – with a 66% response rate of willing to pay more for Rural Water and no positive feedback on the current Water supply of Cottonwood as seen in the 42 comments that were left.

A motion by Mike Horner to utilize ARPA Funds to pay the \$11,971.25 for the Library garage roof and to redo the sheet rock on the interior of the garage. Seconded by Joel Dahl. Carried.

A motion by Joel Dahl to officially move forward with the relocation of the City Office to the former dental building, bringing renovation designs and plans to the first meeting in November. Seconded by Mike Horner. Carried.

Public Hearing for input on water for December 12th at 6pm to allow plenty of notice to the community.

Sergeant Connor presented the monthly incident report to the City Council.

Olsen presented the Public Works report to the City Council that included moving snow piling to Legend Cabinetry parking, West Central Sanitation would be back out to look at the siren next to Legend Cabinetry as it is still not working, looking at arial options to replace the cherry picker including rentals from Sterling Equipment, the cutting blade for the payloader cost \$3,300, and manhole lining is complete.

WINTER PARKING | No positive feedback from Public Works. Certain tenants did not move their vehicles when they were supposed to, and the landlord did not clear the sidewalk in the timeframe that was discussed in the meeting.

SRTS | Property owners along Barstad have asked about snow removal and if it being a SRTS if they are still responsible for the snow removal. The SRTS starts at the south entrance of Reishus park and runs to Northwood Drive. As a formal decision for those along Barstad, how does the Council want to handle those sidewalks? Remove on the sidewalk from Main to Northwood or just the SRTS and property owners are responsible for their own sidewalk?

A motion by Joel Dahl to allow for downtown residential parking on the bare EDA lots on the east end of Main Street with the option expiring on April 15, 2024 or if the lots sell whichever occurs first.

Council discussed that the Safe Routes to School begins at the south entrance of Reishus Park and goes to Northwood Drive. Therefore property owners are responsible for their snow removal between Main Street and Northwood Drive. The City shall assume responsibility for the Safe Routes to School and the boat landing property.

Resolution 2023_1010 Resolution Approving Plans and Specifications and Ordering Advertisement for Bids was presented to the City Council for the Wastewater Pond project.

A motion by Joel Dahl to approve Resolution 2023_1010. Seconded by Mike Horner. Carried.

Bliss presented the following information:

SENATE PRESENTATION | Presentation went well. Included is the handout that the Senators received. Senator Dahms office will be drafting legislation for Cottonwood so that we will be covered if we are not on the Governor's list for Capital Bonding.

ORDER TO RAZE | The included order to raze will need to be officially served in Texas. The property owner did call the office and say they were working on getting new windows installed

but at a precaution – the order to raze will be a check and balance step in case they do not follow through.

JOE RAINS PROPERTY | I received information from an individual that there are in fact chickens in Joe Rains property and that he has surrendered keys to the property to an individual in town. I did speak with Matt Gross today about the property, per the abatement I am allowed to remove the chickens from inside the property. Also, per our current ordinances – we can get our meter out of the property, Matt just recommends that we post a week notice on the door and send a letter even though he does not reside there anymore.

Matt Gross and I also discussed starting the process for an Administrative Warrant in order to enforce the hazardous structure laws for possible demolition. The property will forfeit for taxes next year but due to new legislation from Tyler vs. Hennepin County – forfeiture laws are unknown for next year. Starting the Administrative enforcement is trying to get ahead in case the laws change drastically and we are left without a process started.

A motion by Joel Dahl to approve Resolution 2023_1010A Order to Raze property at 405 Prairie Street. Seconded by Shannon Geihl. Carried

Council reviewed the new ATV Stickers and the job description for the addition of office staff.

Council reviewed the Fire Department October meeting minutes.

Council reviewed the Ambulance September meeting minutes.

Council reviewed an EDA update that included an update on the Main Street Project and the rental of the Highway 23 billboard.

Council reviewed the building permit 2023_44 for a prefab shed.

A motion by Shannon Geihl to approve building permit 2023_44. Seconded by Joel Dahl. Carried.

Council reviewed the non-impervious surface building permit 2023_45

A motion by Mike Horner to the non-impervious surface building permit 2023_45. Seconded by Joel Dahl. Carried.

Council reviewed the non-impervious surface building permit 2023_46

A motion by Joel Dahl to the non-impervious surface building permit 2023_46. Seconded by Shannon Geihl. Carried.

Council reviewed bills totaling \$89,944.63

A motion by Joel Dahl to approve the bills. Seconded by Mike Horner. Carried.

A motion by Joel Dahl to adjourn the meeting. Seconded by Shannon Geihl. Carried at 830pm.

NOVEMBER 7, 2023 MEETING MINUTES OF THE CITY COUNCIL

A meeting of the Cottonwood City Council was held on Tuesday, November 7, 2023, 7:00 pm, in the Cottonwood Fire Hall with Corey Moseng, Joel Dahl, Shannon Geihl, and Mike Horner present. Also, present was City Administrator, Teather Bliss; Public Works Supervisor, Allen Olsen; and Lyon County Sheriff, Eric Wallen. Shawn Myers was absent.

Mayor Corey Moseng called the meeting to order and led in the Flag Pledge.

Council reviewed the September 27, 2023 special meeting minutes.

A motion by Mike Horner to approve the September 27, 2023 Special Meeting Minutes of the Cottonwood City Council. Seconded by Joel Dahl. Carried.

Council reviewed the October 10, 2023 meeting minutes.

A motion by Shannon Geihl to approve the October 10, 2023 Meeting Minutes of the Cottonwood City Council. Seconded by Mike Horner. Carried.

Sheriff Wallen presented the monthly incident report to the City Council.

Council reviewed building permit 48 for shingling.

A motion by Mike Horner to approve permit 48. Seconded by Joel Dahl. Carried.

Council reviewed building permit 49 for the siding of a temporary hoop shed.

A motion by Shannon Geihl to approve permit 49. Seconded by Joel Dahl. Carried.

A motion by Joel Dahl to close the regular council meeting. Seconded by Shannon Geihl. Carried.

A motion by Joel Dahl to open the public hearing for variance. Seconded by Mike Horner. Carried at 7:05pm

NOTICE OF PUBLIC HEARING ON VARIANCE APPLICATION AT 75 SHOREVIEW DRIVE

To Whom It May Concern:

The Cottonwood City Council will hold a public hearing to consider the following matter:

Application for a variance from Section 2306.2 of the Zoning Ordinance of the City of Cottonwood to permit construction on the lot at 75 Shoreview Drive, an accessory addition that will exceed the allowed impervious surface. Per Section 2306.2, impervious surface coverage of lots must not exceed 25 percent of the lot area. With the construction

of this addition with the dimensions provided, the impervious surface will be exceeded by 239.5 square feet. Impervious Surface would total 30% after completion.

Impervious Surface: any hard surface that prevents or hinders the absorption of water into soil or that causes reduced quality of runoff water or causes water to runoff in greater quantities or at a greater flow rate than natural surfaces.

The project is being proposed by Kyle & Rachel Boe.

Bliss did not receive any feedback, neither written nor verbal, from the residents notified of the variance request.

No residents were present for the variance hearing.

A motion by Joel Dahl to close the public hearing. Seconded by Shannon Geihl. Carried at 7:10pm

A motion by Mike Horner to open the regular meeting. Seconded by Shannon Geihl. Carried at 7:10pm.

Bliss presented follow up information on:

SENIOR CENTER | The AC unit will not be possible to tie to the storms in 2022. Therefore, the Council will need to decide to put the building up for sealed bids or quit claim the property to the EDA to sell.

CITY OFFICE | Review of preliminary plans.

RAINS PROPERTY | An administrative warrant was issued from the district court and executed on October 24, 2023. Those present for the execution were Deputy Ben Her, Chief Dale Louwagie, Bolton & Menk Structural Engineer Jason Graham, and myself.

A report will be done by Jason Graham to determine the structural integrity and long-term vitality of the structures, at that time we will then take all of the documents to the courts to petition for condemnation and order to raze the structures.

A motion by Joel Dahl to post advertisement for sealed bids for the Cottonwood Senior Citizen Center. Seconded by Mike Horner. Carried.

Council discussed the city office relocation design plans and are ready to continue moving forward with obtaining quotes from contractors for the work.

Olsen presented the Public Works report to the City Council that included updates on everything that was done on the fall list including sewer jetting, hydrant flushing, valve exercise, and lift station cleaning. Sweeping is getting to the end of completion as well.

The lift from Jeseritz Electric was rented for the hanging of banners and wreaths. Jeseritz charged \$25 per hour for the lift, the total bill will be around \$250.

Vermillion lift station was still having a few issues, the sealing rings were fabricated to fix the problem but will need to be replaced in the spring.

Bliss presented the Loss & Control information to the Council from the City meeting with Troy Walsh. Staff learned in the meeting that the City will need to assume responsibility for the boulevard trees and when replacement of the trees occurs, the best practice is to place them on the inside of the sidewalks or ROW. Also – staff learned that even though contractors do trench work, the City is still liable for the project if something were to happen, and an OSHA violation were to occur. Therefore, a trench box or proper walling is required for future projects to eliminate that City liability.

Bliss updated the Council that the tanker had been sold to Porter Fire Department in the amount of \$2000.00.

Bliss discussed with the Council if they would want to do an interview with the fire chief applicant or leave it to the department as there was only one applicant for the position. The only position that received multiple applicants would be the position of assistant fire chief – interviews for that position will be conducted prior to a fire meeting.

Council is okay with forgoing interviews for the fire chief position, they just asked that after department approval – the incoming fire chief attends a council meeting to give some information prior to Council approval.

Council reviewed the Ambulance October meeting minutes.

Council reviewed the special permit request for alcohol by the Cottonwood Coop for their Christmas Party on December 14, 2023.

A motion by Shannon Geihl to approve the special permit. Seconded by Mike Horner. Carried.

Council reviewed the sidewalk replacement program request from Wade Breyfogle for the sidewalk in front of the property he just acquired on Cottonwood Street.

A motion by Mike Horner to approve the sidewalk replacement program request. Seconded by Shannon Geihl. Carried.

Bliss presented the updated HCSP Policy to the City Council – the option language for vacation time needed to be removed per state requirements.

A motion by Joel Dahl to approve the changes. Seconded by Mike Horner. Carried.

Reappointment of Sherri Knutson to the HRA Board was added to the agenda.

A motion by Joel Dahl to reappoint Sherri Knutson to a 5-year term on the HRA Board. Seconded by Shannon Geihl. Carried.

The following resolution was presented for consideration:

RESOLUTION NO. 2023_1107
A RESOLUTION ADOPTING FINDINGS OF FACT AND REASONS FOR
APPROVAL FOR VARIANCE APPLICATION OF KYLE & RACHEL BOE AT
75 SHOREVIEW DRIVE

FACTS

1. Kyle & Rachel Boe is the owner of a parcel of land located at 75 Shoreview Drive, Cottonwood, Minnesota 56229; and,
2. The subject property is legally described as; *Lot 11 Block 2 Lakeview Estates* and,
3. Kyle & Rachel Boe has applied to the city for a variance at 75 Shoreview Drive for a 239.5 square foot deck addition as described in Exhibit B.
4. The proposal would vary from Section 2306.2 of the Cottonwood Zoning Ordinance in that the total impervious surface allowed for the lot would exceed twenty five percent (25%).
5. Following a public hearing on the application, the City Council of the City of Cottonwood reviewed the requested variance at its meeting on November 7, 2023.
6. On November 7, 2023 the City Council of the City of Cottonwood approved the variance.

APPLICABLE LAW

7. Minnesota Statute Section 462.357, subdivision 6 provides: a. Variances shall only be permitted (a) when they are in harmony with the general purposes and intent of the ordinance and (b) when the variances are consistent with the comprehensive plan.
b. Variances may be granted when the applicant for the variance establishes that there are practical difficulties in complying with the zoning ordinance. "Practical difficulties," as used in connection with the granting of a variance, means that (a) the property owner proposes to use the property in a reasonable manner not permitted by the zoning ordinance; (b) the plight of the landowner is due to circumstances unique to the property not created by the landowner; and (c) the variance, if granted, will not alter the essential character of the locality.
8. City Zoning Ordinance 93-2 states that variances may only be granted in accordance with Minnesota Statutes, 462, as applicable, A variance may not circumvent the general purposes and intent of this ordinance. No variance may be granted that would allow any use that is prohibited in the zoning district in which the subject property is located. Conditions may be imposed in the granting of a variance to ensure compliance and to protect adjacent properties and the public interest. In considering a variance request, the board of adjustment must also consider whether the property owner has reasonable use of the land without the variance, whether the property is used seasonally or year-around, whether the variance is being requested solely on the basis of economic considerations, and the characteristics of development on adjacent properties.

CONCLUSIONS OF LAW

1. Harmony with the purposes and intent of the ordinance does not apply as the city does not have an ordinance specific to variances.
2. Consistency with the comprehensive plan does not apply because the property is designated residential and will continue to be utilized as residential.
3. The property owner does propose to use the property in a reasonable manner because the variance will allow for the owner access as well as the ability to secure an above ground pool.
4. There are not unique circumstances to the property as the property is a standard lot.
5. The variance will maintain the essential character of the locality because the deck addition fits in with the residential area.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COTTONWOOD, MINNESOTA AS FOLLOWS:

The application to issue a variance to allow Kyle & Rachel Boe the construction of an accessory structure at 75 Shoreview Drive that will exceed 25% impervious surface is hereby approved.

A motion by Mike Horner to approve Resolution 2023_1107. Seconded by Joel Dahl. Carried.

Council reviewed building permit 2023_47 for the construction of a pool deck that accompanies Resolution 2023_1107.

A motion by Hoel Dahl to approve permit 47. Seconded by Shannon Geihl. Carried.

Council reviewed bills totaling \$14,942.12

A motion by Joel Dahl to approve the bills. Seconded by Mike Horner. Carried.

A motion by Joel Dahl to adjourn the meeting. Seconded by Shannon Geihl. Carried at 759pm.

NOVEMBER 7, 2023 MEETING MINUTES OF THE CITY COUNCIL

A meeting of the Cottonwood City Council was held on Tuesday, November 7, 2023, 7:00 pm, in the Cottonwood Fire Hall with Corey Moseng, Joel Dahl, Shannon Geihl, and Mike Horner present. Also, present was City Administrator, Teather Bliss; Public Works Supervisor, Allen Olsen; and Lyon County Sheriff, Eric Wallen. Shawn Myers was absent.

Mayor Corey Moseng called the meeting to order and led in the Flag Pledge.

Council reviewed the September 27, 2023 special meeting minutes.

A motion by Mike Horner to approve the September 27, 2023 Special Meeting Minutes of the Cottonwood City Council. Seconded by Joel Dahl. Carried.

Council reviewed the October 10, 2023 meeting minutes.

A motion by Shannon Geihl to approve the October 10, 2023 Meeting Minutes of the Cottonwood City Council. Seconded by Mike Horner. Carried.

Sheriff Wallen presented the monthly incident report to the City Council.

Council reviewed building permit 48 for shingling.

A motion by Mike Horner to approve permit 48. Seconded by Joel Dahl. Carried.

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A motion by Shannon Geihl to approve permit 49. Seconded by Joel Dahl. Carried.

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The project is being proposed by Kyle & Rachel Boe.

Bliss did not receive any feedback, neither written nor verbal, from the residents notified of the variance request.

No residents were present for the variance hearing.

A motion by Joel Dahl to close the public hearing. Seconded by Shannon Geihl. Carried at 7:10pm

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Bliss presented follow up information on:

SENIOR CENTER | The AC unit will not be possible to tie to the storms in 2022. Therefore, the Council will need to decide to put the building up for sealed bids or quit claim the property to the EDA to sell.

CITY OFFICE | Review of preliminary plans.

RAINS PROPERTY | An administrative warrant was issued from the district court and executed on October 24, 2023. Those present for the execution were Deputy Ben Her, Chief Dale Louwagie, Bolton & Menk Structural Engineer Jason Graham, and myself.

A report will be done by Jason Graham to determine the structural integrity and long-term vitality of the structures, at that time we will then take all of the documents to the courts to petition for condemnation and order to raze the structures.

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Council discussed the city office relocation design plans and are ready to continue moving forward with obtaining quotes from contractors for the work.

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The lift from Jeseritz Electric was rented for the hanging of banners and wreaths. Jeseritz charged \$25 per hour for the lift, the total bill will be around \$250.

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A motion by Mike Horner to approve the sidewalk replacement program request. Seconded by Shannon Geihl. Carried.

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A motion by Joel Dahl to reappoint Sherri Knutson to a 5-year term on the HRA Board. Seconded by Shannon Geihl. Carried.

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A motion by Hoel Dahl to approve permit 47. Seconded by Shannon Geihl. Carried.

Council reviewed bills totaling \$14,942.12

A motion by Joel Dahl to approve the bills. Seconded by Mike Horner. Carried.

A motion by Joel Dahl to adjourn the meeting. Seconded by Shannon Geihl. Carried at 759pm.

NOVEMBER 21, 2023 MEETING MINUTES OF THE CITY COUNCIL

A meeting of the Cottonwood City Council was held on Tuesday, November 21, 2023, 7:00 pm, in the Cottonwood Community Center with Corey Moseng, Shawn Myers, Joel Dahl, Shannon Geihl, and Mike Horner present. Also, present was City Administrator, Teather Bliss; Public Works Supervisor, Allen Olsen; City Engineer, Kent Louwagie; and Lyon County Sheriff's Sergeant, Steve Louwagie.

The meeting was moved from the Cottonwood Fire Hall on short notice due to scheduling conflict with the Council Meeting and Fire Training.

Mayor Corey Moseng called the meeting to order and led in the Flag Pledge.

Council reviewed the November 7, 2023 meeting minutes.

A motion by Joel Dahl to approve the November 7, 2023 Meeting Minutes of the Cottonwood City Council. Seconded by Shannon Geihl. Carried.

Bliss updated the Council on the ad for the senior center sealed bids, the ussie with the garage on the library, the city office progress, and the Rains property.

The garage on the library has separation in the brick and 2x4s were placed between the wall and Senior Center some years back as support for the separating wall. Before redoing the roof, the masonry needs to either be evaluated or the garage removed.

Sergeant Louwagie presented the monthly incident report to the City Council.

Olsen presented the Public Works report to the City Council on winter preparation that was taking place.

Kent Louwagie presented the bid tabulation to the City Council for the rehabilitation to the wastewater ponds.

The following Resolution was presented for consideration:

RESOLUTION NO. 2023_1121
RESOLUTION ACCEPTING BID
CITY OF COTTONWOOD, LYON COUNTY, MINNESOTA

WHEREAS, pursuant to an advertisement for bids for the Wastewater Treatment Facility Improvements, a project consisting of replacing and rehabilitating control structures at the wastewater treatment ponds, bids were received, opened, and tabulated according to the law, and the following bids were received complying with the advertisement:

Rubin Construction, LLC	\$226,200.00
KHC Construction, Inc	\$337,000.00

AND WHEREAS, it appears that Rubin Construction, LLC of Tyler, MN is the lowest responsible bidder,

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF COTTONWOOD, MINNESOTA:

1. The mayor and clerk are hereby authorized and directed to enter into the attached contract with Rubin Construction, LLC of Tyler, MN in the name of the city of Cottonwood for the Wastewater Treatment Facility Improvements, a project consisting of replacing and rehabilitating control structures at the wastewater treatment ponds according to the plans and specifications therefor approved by the city council and on file in the office of the city clerk.
2. The city clerk is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposits of the successful bidder and the next lowest bidderⁱ shall be retained until a contract has been signed.

Adopted by the city council this 21st day of November, 2023.

A motion by Shawn Myers to approve Resolution 2023_1121 Accepting Bids. Seconded by Mike Horner. Carried.

Council reviewed the financial reports.

Bliss brought up a quote for the telemetry system that was proposed by DSG – the system has been in need of updates for a few years now and is in the budget for 2023.

A motion by Joel Dahl to approve the quote from DSG for \$40,500 to be paid in 2024. Seconded by Shawn Myers. Carried.

Council reviewed the Fire November Meeting Minutes.

Council reviewed sump pump permits for Harney and Horner.

A motion by Joel Dahl to approve both permits. Seconded by Shawn Myers. Abstained by Mike Horner. Carried.

Council reviewed building permit 2023_50 for the construction of a small addition.

A motion by Shawn Myers to approve permit 50. Seconded by Shannon Geihl. Carried.

A motion by Shawn Myers to adjourn the meeting. Seconded by Shannon Geihl. Carried at 800pm.

DECEMBER 12, 2023 MEETING MINUTES OF THE CITY COUNCIL

A meeting of the Cottonwood City Council was held on Tuesday, December 12, 2023, 6:00 pm, in the Cottonwood Community Center with Corey Moseng, Shawn Myers, Joel Dahl, Shannon Geihl, and Mike Horner present. Also, present was City Administrator, Teather Bliss; Public Works Supervisor, Allen Olsen; City Engineers, Kent Louwagie and John Graupman; and Lyon County Sheriff, Eric Wallen. Present from Lincoln Pipestone Rural Water; Bill Ufkin and Jason Overby. Present from the public was Dan Louwagie, Dave Planting, Casey Benson, Jan Timmerman, Stacy Abraham, Mary Alice Harney, Kevin Arneson, Dennis Devereaux, and Galen Prairie.

Mayor Corey Moseng called the meeting to order and led in the Flag Pledge.

The meeting was started with a Public Hearing regarding Water Quality Improvement Options for the City of Cottonwood. Present for the hearing were engineers, Kent Louwagie and John Graupman, and Lincoln Pipestone Rural Water representatives, Jason Overby and Bill Ufkin.

John Graupman presented the information to the public regarding current conditions and potential alternatives. The presentation also contained cost comparisons for a Lincoln Pipestone Rural Water connection option, a Filter Plant construction option, a RO Softening Plant construction option, and the do-nothing option.

Questions from the public arose on what the costs would look like on the citizens, if there would be watering restrictions or overage fees placed on citizens with a LPRW option, and if citizens outside of City limits would remain on the water system.

The costs would all be determined by which option is selected and what type of funding would be utilized for the project.

The City buys in at a high demand based on 10 years of past data as well as factoring in growth, therefore restrictions or overages would not be anticipated.

Citizens outside of City limits would remain on the system.

A motion by Shawn Myers to close the Public Hearing on Water Options. Seconded by Joel Dahl. Carried at 642pm.

A motion by Shannon Geihl to open the regular city council meeting. Seconded by Joel Dahl. Carried.

Council reviewed the December Meeting Minutes of the Cottonwood Fire Department.

Council reviewed and approved the following members of the Cottonwood Fire Department for officer positions.

A motion by Shannon Geihl to approve Jeremy Dieken as Fire Chief. Seconded by Shawn Myers. Carried.

A motion by Shawn Myers to approve Brent Kesteloot as Assistant Fire Chief. Seconded by Mike Horner. Carried.

A motion by Shawn Myers to approve Eric Brunsvold as Secretary. Seconded by Shannon Geihl. Carried.

A motion by Joel Dahl to approve Kelvin Listul as Assistant Fire Chief. Seconded by Mike Horner. Carried.

Council reviewed the November Meeting Minutes of the Cottonwood Ambulance.

Council reviewed sump pump permits for Boe, Aamodt, and Heuberger.

A motion by Mike Horner to approve the sump pump permits. Seconded by Shannon Geihl. Carried.

Council reviewed the final SCDP drawdown totaling \$2095.99.

A motion by Shawn Myers to approve the final SCDP drawdown. Seconded by Shannon Geihl. Carried.

Council reviewed building permits 51 and 52.

A motion by Mike Horner to approve building permit 51. Seconded by Shannon Geihl. Carried.

A motion by Joel Dahl to approve building permit 52. Seconded by Mike Horner. Abstained by Shannon Geihl. Carried.

Sheriff Wallen presented the monthly Lyon County Sheriff's Office incident report to the City Council.

A motion by Shawn Myers to close the regular city council meeting. Seconded by Shannon Geihl. Carried.

A motion by Shannon Geihl to open the public hearing on Truth in Taxation. Seconded by Shawn Myers. Carried at 705pm.

Bliss presented the following information for the Truth in Taxation hearing:

To: Cottonwood City Council

The City of Cottonwood's Year 2024 Final Budget Proposal is herein presented for your review and consideration. In the final development of this budget proposal, efforts have been made to ensure that each City fund is self-sufficient as a stand-alone entity and that costs are being placed into needed projects and operations. After the Truth in Taxation Hearing the final levy will be

submitted to Lyon County, certified to the State of Minnesota, and the final budget will be uploaded to the Minnesota Management and Budget Department.

As discussed in the work session the Governor's biennium budget that included the \$29,358.00 Cottonwood would receive to utilize towards transportation had to be removed from the final budget revenue. The state's declaration of FY2024 does not equate to CY2024 but CY2025.

Removed from the final budget expenses are the following:

Mill & Overlay of Lake Street totals \$60,000 (Line 107)
Roof repairs of the Library Garage totals \$20,000 (Line 186)

The City's FINAL tax levy for payable 2024 real estate taxes is at a 3.53% increase; however, with a market value of \$102,562,700 and tax capacity of \$1,128,022 which is a 13.92% increase from 2023 – the city levy will result in a -10.39% net difference due to the rapid growth in Cottonwood and the tax levy being \$297,894 less than the tax capacity.

Projects and Equipment Purchases

The Capital Improvement Plan accounts for \$102,500 within the 2024 Final Budget.

New council chambers in the new office location totals \$10,000 (Line 36)
Relocation of the City Office totals \$70,000 (Lines 75)
Lease Payment & Snow Blower Purchase totals \$55,740 (Line 127)
40% of the Vac Truck Lease Payment totals \$21,000 (Line 135)

MESSAGE

Setting a Local Government Budget & Understanding Your Proposed Tax Statement

***Please note that this meeting is NOT to discuss your property valuations.**

That meeting is called the Local Board of Appeals & Equalization which takes place in April.

WHEN DOES THE BUDGET PROCESS BEGIN | The City begins the process in July where anticipated revenues and expenditures are calculated, including desired projects for administration, public safety, public works, facilities, and parks and recreation.

HOW DOES THE BUDGET PROCESS RELATE TO MY TAXES | After Local Government Aid and various city fees are calculated, the City determines how much tax will need to be levied to make up the gap to balance the budget.

WHAT IS INCLUDED IN THE LEVY AMOUNT | The City levies for general fund operations and public purpose debt only, a levy will never include funds for water or sewer operations and/or debt. Currently the City of Cottonwood levies for the General Fund, Economic Development, Lease for the Public Works Shop, Fire Hall, and the 2016 Streets Project.

HOW DOES THIS RESULT IN MY PROPOSED TAX STATEMENT | The City will certify what is called the “Preliminary Tax Levy” or proposed tax to Lyon County on or before September 30th of each year. When determining the preliminary levy, it is important to understand that once certified to the County the levy amount can only decrease NEVER increase. So final tax levy will always be equal or less than the preliminary levy. On September 27th the City certified the preliminary levy for \$945,128 that reflected a General Fund need of \$725,000, an Economic Development need of \$15,000, and Debt payments of \$205,128. Resulting in a proposed 17.4% levy increase from the final levy in 2023.

WHAT MAKES UP THE 17.4% INCREASE | The general operations needs were proposed to increase \$100,000 from 2023-2024 and the 2016 street projects debt payment is increasing from \$79,000 in 2023 to \$129,000 in 2024, making up 40% of the increase. This compares to the \$4,000-\$5,000 increases in the 2016 debt payments in prior years. Debt can only be levied at 105% to make future payments. (ie \$70,000 debt payment is levied at \$73,500).

WHAT TAKES PLACE BETWEEN JULY & NOW | The preliminary levy will transition to a final certification on or before December 20th, three months after the preliminary certification and five months after the start of the budgeting process. In the five-month period, the profit & loss of the current year can be better evaluated in which the General projects that were planned for can either be worked into the current year or determined better suited for a capital plan. This allows the general fund levy amount to decrease.

WHAT DOES THE 2024 FINAL LEVY LOOK LIKE | The anticipated general operations costs have been able to come down as we have progressed through the 2nd half of 2023 and the anticipated projects will be sought from other funding sources.

Therefore the final levy will be certified at a 3.53% increase from 2023-2024, a 13.87% decrease from the preliminary tax levy that was set in September.

A motion by Shawn Myers to close the public hearing on Truth in Taxation. Seconded by Joel Dahl. Carried.

A motion by Shannon Geihl to open the regular council meeting. Seconded by Mike Horner. Carried at 713pm.

Olsen presented a quote from Tri State Pump & Control for impellers and repairs that need to be made on the Northwood Lift Station and Ozzy’s Lift Station. The total cost is \$7,270.00.

The council would like to see a breakdown of how much work has been done on the Northwood Lift Station as it seems like a lot of money has been spent on pump issues over the past years.

A motion by Joel Dahl to approve the repairs from Tri State Pump & Control totaling \$7,270. Seconded by Shawn Myers. Carried.

At 725pm the sealed bid opening took place for the Cottonwood Senior Citizen Center.

CITY OF COTTONWOOD - SEALED BID TABULATION

PROJECT : SCC 2023-01		DATE: 12/12/2023 TIME: 725PM
PROJECT DESCRIPTION:	SENIOR CITIZEN CENTER	LOCATION: CC

BIDDER INFORMATION	BID # SCC001	BID # SCC002
NAME	INGRID LEE	COURTNEY PETERS
ADDRESS	PRIVATE DATA	PRIVATE DATA
CITY & STATE	PRIVATE DATA	PRIVATE DATA
ITEM # SCC01		
TOTALS PER BIDDER	\$ 10,000.00	\$ 500.00

PREPARER: TEATHER BLISS	TITLE: ADMINISTRATOR
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WITNESS: ALLEN OLSEN	TITLE: PUBLIC WORKS SUPERVISOR
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DATE: 12/12/2023

PAGE 1 OF 1

The following Resolution was presented for consideration:

**RESOLUTION NO. 2023_1212E
RESOLUTION ACCEPTING BID**

CITY OF COTTONWOOD, LYON COUNTY, MINNESOTA

WHEREAS, pursuant to an advertisement for bids for the purchase of the Cottonwood Senior Citizen Center, bids were received, opened, and tabulated according to the law, and the following bids were received complying with the advertisement:

INGRID LEE \$10,000.00

COURTNEY PETERS \$500.00

AND WHEREAS, it appears that INGRID LEE is the responsible bidder,

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF COTTONWOOD, MINNESOTA:

1. The mayor and clerk are hereby authorized and directed to enter into a purchase agreement with INGRID LEE for the purchase and title transfer of the Cottonwood Senior Citizen Center therefore approved by the city council and on file in the office of the city clerk.
2. The city clerk is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposits of the successful bidder and the next bidder shall be retained until a contract has been signed.

Adopted by the city council this 12th day of December, 2023.

A motion by Joel Dahl to approve Resolution 2023_1212E Accepting Bids. Seconded by Shawn Myers. Carried.

Bliss presented documentation on an incident that occurred on December 11, 2023 involving citizens and a potentially dangerous dog. Therefore, presented before the City Council is a resolution to declare the dog potentially dangerous and send notice to the owner.

RESOLUTION NO. 2023_1212D
A RESOLUTION DECLARING THE CANINE KEPT AT 290 WEST MAIN STREET AS
POTENTIALLY DANGEROUS

WHEREAS, the City Council of the City of Cottonwood is the Animal Control Authority of the City of Cottonwood, as defined in Minnesota Statute 347.50, subd. 7 and Cottonwood City Code 91.11(C)(1);

WHEREAS, in the afternoon of December 11, 2023, the canine in question was running at large;

WHEREAS, in the afternoon of December 11, 2023, the Cottonwood City Administrator, Teather Bliss, was informed that as the canine was running at large it advanced and showed signs of unprovoked aggression towards an employee of the City of Cottonwood, Amy Louwagie, as she was walking along a public sidewalk a block from the canine's residence;

WHEREAS, in the afternoon of December 11, 2023, the Cottonwood City Administrator, Teather Bliss, observed the same canine running at large and advancing, showing signs of unprovoked aggression towards a resident, Michael Hueberger, as he was walking along the public sidewalk two houses from the canine's residence;

WHEREAS, in the afternoon of December 11, 2023, Lyon County Sheriff's Deputy Adam DeSutter responded to the canine running at large. Deputy DeSutter attempted to talk with the owner and catch the canine when it was observed and recorded "nipping" aggressively at Deputy DeSutter;

WHEREAS, the canine is a German Shepherd that is registered with the City of Cottonwood;

WHEREAS, the German Shepherd that showed unprovoked aggression towards the city employee and resident is named Lady;

WHEREAS, Lady is kept at the residence 290 West Main Street in Cottonwood;

WHEREAS, the owner of Lady, as defined by Minnesota Statute 347.50, subd. 5, and Cottonwood City Code 91.11(B)(4) is Cara Gare;

WHEREAS, as a result of the unprovoked aggression, residents and staff are fearful of Lady;

WHEREAS, Lade, without provocation, showed aggression to Amy Louwagie and Michael Hueberger while they were in public property within the City of Cottonwood;

WHEREAS, Lady is considered a potentially dangerous dog, as defined by Minnesota Statute 347.50, subd. 3 and Cottonwood City Code 91.11(6);

WHEREAS, pursuant to Minnesota Statute 347.541, subd. 3, and Cottonwood City Code 91.11(J)(1) the City Council shall give notice of the potentially dangerous dog declaration to the owners of Lady, namely Cara Gare;

WHEREAS, pursuant to Minnesota Statute 347.541, subds. 1 and 4, and Cottonwood City Code 91.11(J)(2) Cara Gare has the right to an impartial hearing to challenge the City Council's potentially dangerous dog declaration;

WHEREAS, the City Council appoints Mike Horner, to serve as an impartial hearing officer pursuant to Minnesota Statute 347.541, subd. 4 and Cottonwood City Code 91.11(J)(2)(b);

WHEREAS, in the event a hearing is requested pursuant to Minnesota Statute 347.541, subd. 4 and Cottonwood City Code 91.11(J)(2), the City Council shall compensate Mike Horner \$50.00 to serve as the impartial hearing, which shall include conducting the hearing and issuing a decision;

WHEREAS, in the event a hearing is requested pursuant to Cottonwood City Code 91.11(J)(2)(a), the owner shall pay the required \$100 appeal fee;

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF COTTONWOOD, MINNESOTA AS FOLLOWS:

- 1. Lady, a German Shepherd kept at 290 West Main Street in Cottonwood, Minnesota, are hereby declared "Potentially Dangerous Dogs" pursuant to Minnesota Statute 347.50, subd. 3.**
- 2. The owner of Lady, as defined by Minnesota Statute 347.50, subd. 5, Cara Gare shall be given notice of the Dangerous Dog Declaration pursuant to Minnesota Statute 347.541, subd. 3.**

3. Pursuant to Minnesota Statute 347.541, subd. 3, Cara Gare shall have fourteen (14) days to request a hearing challenging the Potentially Dangerous Dog declaration.

4. Pursuant to Minnesota Statute 347.541, subd. 4, Mike Horner shall serve as the impartial hearing officer and shall be compensated \$50.00 to conduct the hearing and issue a decision.

PASSED AND ADOPTED by the Cottonwood City Council this 12th day of December, 2023.

A motion by Shannon Geihl to approve Resolution 2023_1212D Declaration of a Potentially Dangerous Dog. Seconded by Shawn Myers. Carried.

Council directed Bliss to stay in conversation with Attorney Matthew Gross to make sure we get everything done properly so this dog does not harm anyone.

Council reviewed the following Resolution for Lyon County

RESOLUTION NO. 2023_1212

A RESOLUTION APPROVING THE VOTING OPERATIONS, TECHNOLOGY, & ELECTION RESOURCES (VOTER) ACCOUNT AGREEMENT

BY AND BETWEEN LYON COUNTY AND THE CITY OF COTTONWOOD

WHEREAS, On July 20, 2023, the Office of the Secretary of State completed the electronic transfer of \$1.25 million in electronic payments to counties, of which Lyon County's share is \$6,934.47, for the Voting Operations, Technology, & Election Resources (VOTER) Account in accordance with the requirements of Minnesota Statutes section 5.305, and

WHEREAS, Lyon County is required to work with its local units of government to determine how the funds will be allocated within the county, and

WHEREAS, Lyon County currently administers the absentee and mail balloting for all precincts, and

WHEREAS, Lyon County pays for all maintenance for all election equipment utilized by the local units of government.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF COTTONWOOD, MINNESOTA AS FOLLOWS:

1. that the City of Cottonwood does hereby agree to allow Lyon County to retain all Voting Operations, Technology, & Election Resources (VOTER) Account Funds received.

Passed by the City Council of Cottonwood, Minnesota this twelfth day of December 2023.

A motion by Shawn Myers to approve Resolution 2023_1212. Seconded by Joel Dahl. Carried.

Council reviewed the following Resolution for the Final Levy:

RESOLUTION NO. 2023_1212A
ADOPTION OF 2024 FINAL TAX LEVY

BE IT RESOLVED, by the City Council of the City of Cottonwood, County of Lyon, Minnesota, that the following sums of money be levied for the current year, collectible in 2024, upon the taxable property in the City of Cottonwood, for the following purposes:

General Fund Levy	\$610,000.00
EDA Special Levy	\$15,000.00
Principal & Interest on 2012 City Maintenance Shop Lease	\$22,155.00
Principal & Interest on 2016 Fire Hall/Ambulance Garage Lease	\$54,558.00
Principal & Interest on 2016 GO Improvement Bonds	<u>\$128,415.00</u>
Total Proposed Certified Tax Levy	\$830,128.00

BE IT RESOLVED, by the City Council of the City of Cottonwood, County of Lyon, Minnesota, that the attached document is hereby approved as the 2024 Tax Levy of the City of Cottonwood.

IN WITNESS WHEREOF, the City of Cottonwood, Minnesota, by its City Council, has caused this Resolution to be executed on its behalf by the signatures of the Mayor and City Administrator and has caused this Resolution to be certified to the County Auditor of Lyon County, Minnesota, as of the date set forth below.

Adopted and passed by the City Council of Cottonwood, Minnesota this twelfth day of December 2023.

A motion by Joel Dahl to approve Resolution 2023_1212A. Seconded by Shawn Myers. Carried.

Council reviewed the following Resolution for Write Offs:

RESOLUTION NO. 2023_1212B
A RESOLUTION AUTHORIZING THE WRITE OFF OF UNPAID CHARGES

WHEREAS, pursuant to proper notice duly given as required by law, the City Council has met, heard, and passed upon all objections to the proposed write offs of the unpaid charges for municipal fees and utilities; and

WHEREAS, the amounts of the bad debt have been filed with American Accounts & Advisors in which they have either reached a low balance with years of inactivity or have reached the six year statute of limitations (SOL) that allows for the debt to remain in collection.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COTTONWOOD, MINNESOTA AS FOLLOWS:

Such proposed write off of unpaid charges, a copy of which is hereby attached as Exhibit 1 and made a part hereof, is hereby accepted and

Passed by the City Council of Cottonwood, Minnesota this twelfth day of December 2023.

**CITY OF COTTONWOOD
RESOLUTION NO. 2023_1212B
EXHIBIT 1**

DATE OF SERVICE	SERVICE	AMOUNT	REASON
12/31/2018	UTILITY BILL	\$272.87	NO ACTIVITY – SOL 2024
12/31/2018	UTILITY BILL	\$606.16	DECEASED
02/02/2017	FIRE	\$750.00	SOL REACHED
02/02/2017	AMBULANCE	\$1,444.40	SOL REACHED
12/12/2018	AMBULANCE	\$628.00	NO ACTIVITY – SOL 2024
3/1/2021	GARBAGE	\$18.62	LOW BALANCE
3/9/2018	FIRE	\$750.00	NO ACTIVITY – SOL 2024
06/01/2019	UTILITY BILL	\$135.05	NO ACTIVITY
05/31/2018	UTILITY BILL	\$75.00	NO ACTIVITY – SOL 2024
10/22/2017	AMBULANCE	\$627.16	SOL REACHED
12/29/2018	FIRE	\$750.00	NO ACTIVITY – SOL 2024
07/10/2017	AMBULANCE	\$227.41	SOL REACHED
02/13/2017	UTILITY BILL	\$141.68	SOL REACHED
03/26/2016	UTILITY BILL	\$355.41	SOL REACHED
11/29/2015	UTILITY BILL	\$244.66	SOL REACHED
11/30/2021	EXPERT T BILLING	\$22,420.07	OUTSTANDING AR
12/31/2022	TRANSMEDIC	\$3,716.23	OUTSTANDING AR

Bliss noted that there was one missing for \$1,000 from the Cottonwood Fire Department.

A motion by Shawn Myers to approve Resolution 2023_1212B with the additional \$1,000.
Seconded by Joel Dahl. Carried.

Council reviewed the following Resolution for the General Fund Budget:

**RESOLUTION NO. 2023_1212C
ADOPTION OF 2024 FINAL BUDGET SUMMARY**

BE IT RESOLVED, by the City Council of the City of Cottonwood, County of Lyon, Minnesota, that the information provided below is hereby approved as the 2024 Final General Fund Budget of the City of Cottonwood.

2024 FINAL BUDGET SUMMARY		
DEPARTMENT	TWENTY THREE	TWENTY FOUR
PROPERTY TAX LEVY	\$ 625,000.00	\$ 610,000.00
GENERAL FUND	\$ 533,229.00	\$ 489,967.00
DEBT SERVICES	\$ 172,613.00	\$ 215,791.00
GENERAL & DEBT REVENUES	\$ 1,330,842.00	\$ 1,315,758.00
GENERAL ADMINISTRATION	\$ 333,295.00	\$ 430,240.00

PUBLIC SAFETY	\$ 125,994.00	\$ 124,590.00
PUBLIC WORKS	\$ 503,800.00	\$ 426,840.00
RECREATION	\$ 192,286.00	\$ 117,536.00
DEBT SERVICES - PRINCIPAL	\$ 171,000.00	\$ 179,000.00
DEBT SERVICES - INTEREST & FEES	\$ 58,030.00	\$ 74,000.00
DEBT SERVICE FUND BALANCES	-\$ 56,417.00	-\$ 37,209.00
GENERAL & DEBT EXPENSES	\$ 1,327,988.00	\$ 1,314,997.00
GENERAL PROFIT & LOSS	\$ 2,854.00	\$ 761.00

IN WITNESS WHEREOF, the City of Cottonwood, Minnesota, by its City Council, has caused this Resolution to be executed on its behalf by the signatures of the Mayor and City Administrator and has caused this Resolution to be certified to the County Auditor of Lyon County, Minnesota, as of the date set forth below.

Adopted and passed by the City Council of Cottonwood, Minnesota this twelfth day of December 2023.

A motion by Joel Dahl to approve Resolution 2023_1212C. Seconded by Mike Horner. Carried.

Council reviewed the future special meetings and public hearing dates:
December 28, 2023 Special Assessments
January 16, 2024 – Water & Sewer Rates / Zoning Request

Council reviewed the bills totaling \$8,472.29.

A motion by Mike Horner to pay the bills. Seconded by Shawn Myers. Carried.

The council then notified the public that the meeting would go into closed session per Minnesota Statute 13D.05 for attorney-client privileges.

A motion by Shawn Myers to adjourn the regular meeting and enter into closed session.
Seconded by Joel Dahl. Carried at 748pm.

A motion by Shannon Geihl to open the regular city council meeting. Seconded by Joel Dahl.
Carried at 845pm.

The council discussed attorney-client privileges pertaining to Court File No 42-CV-23-446

A motion by Shawn Myers to adjourn the city council meeting. Seconded by Shannon Geihl.
Carried at 846pm.

DECEMBER 28, 2023 MEETING MINUTES OF THE CITY COUNCIL

A meeting of the Cottonwood City Council was held on Thursday, December 28, 2023, 7:00 pm, in the Cottonwood City Office with Corey Moseng, Shawn Myers, Joel Dahl, Shannon Geihl, and Mike Horner present. Also, present was City Administrator, Teather Bliss.

Mayor Corey Moseng called the meeting to order and led in the Flag Pledge.

Bliss updated the council on the City Office Relocation and the Administrative Assistant position.

The plan will be to review bids for the renovation of the dental building as the new City Hall at the 2nd meeting in January.

The plan will also be to meet with the personnel committee to review applications for the Administrative Assistant position.

Council reviewed sump pump permits for Morton & Moseng.

A motion by Mike Horner to approve the sump pump permits. Seconded by Joel Dahl. Carried.

Council reviewed the following Resolution for Special Assessment:

RESOLUTION NO. 2023_1228

A RESOLUTION CERTIFYING UNPAID CHARGES

WHEREAS, pursuant to proper notice duly given as required by law, the City Council has met, heard, and passed upon all objections to the proposed certifications of unpaid charges for municipal fees and utilities; and

WHEREAS, the amounts of bad debt have been minimized through diligent collection efforts by staff.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COTTONWOOD, MINNESOTA AS FOLLOWS:

Such proposed certification of unpaid charges, a copy of which is hereby attached as Exhibit 1 and made a part hereof, is hereby accepted and shall constitute a lien against the lands named herein

Such certification shall be payable over a period of one year on or before the first Monday in January.

The owner of the affected property may, at any time prior to certification of unpaid charges to the County Auditor, pay the whole of the certified unpaid charges on such property, with interest accrued to date of payment, to the City Administration Office, except that no interest shall be charged if the entire certified amount is paid within thirty (30) days from the adoption of the resolution. The taxpayer may at any time thereafter, pay the City Clerk or County Auditor, the entire amount certified and remaining unpaid, with interest accrued to December 31, of the year in which payment is made. Such payment must be made before January 15, or interest will be charged through 2024 of the following year.

The clerk shall forthwith transmit a certified copy of this certification role to the County Auditor to be extended on the property tax lists of the county and such certified unpaid charges shall be collected and paid over in the same manner as property taxes

Passed by the City Council of Cottonwood, Minnesota this twenty eighth day of December 2023.

CITY OF COTTONWOOD
RESOLUTION NO. 2023_1228
EXHIBIT 1

Parcel #	Property Owner	Special Assessment Description Descriptions	Amount
22-102012-0	GLEND A VIZECKY	DELINQUENT GARBAGE BILL	\$71.52
22-128028-0	JOSE JIMENEZ	DELINQUENT ZONING FEES	\$400.00
22-106018-0	JOSEPH ALLAN RAINS	ABATEMENT COSTS	\$7,474.65

A motion by Shawn Myers to approve Resolution 2023_1228. Seconded by Shannon Geihl. Carried.

Council reviewed the last bill pay for 2023 totaling \$11,738.25

A motion by Joel Dahl to pay the bills. Seconded by Shawn Myers. Carried.

The council then notified the public that the meeting would go into closed session per Minnesota Statute 13D.05 for attorney-client privileges.

A motion by Joel Dahl to close the regular meeting and enter into closed session. Seconded by Mike Horner. Carried at 713pm.

A motion by Mike Horner to close the closed session. Seconded by Shannon Geihl. Carried.

A motion by Joel Dahl to open the regular city council meeting. Seconded by Shawn Myers. Carried at 754pm.

The council discussed attorney-client privileges pertaining to Court File No 42-CV-23-446

A motion by Shawn Myers to adjourn the city council meeting. Seconded by Shannon Geihl. Carried at 755pm.