

August 11, 2016

A regular meeting of the City Council of the City of Sleepy Eye was held in the Council Chambers, 200 Main Street East, Sleepy Eye, MN at 7:00 p.m. on the 11th day of August, 2016 per due call and notice. Mayor James Broich and Councilors Zinniel, Stevermer and Schmidt, were present. Also present were City Manager Kober, City Attorney Fischer, Public Works Director Bob Elston, Matt Andres, Police Chief, City Engineer Palm and City Clerk Tiedeken.

Councilor Schmidt moved to approve the minutes of the July 12, 2016. Councilor Stevermer seconded the motion and the motion carried.

The notice of public hearing was read and placed on file for a zoning variance application by Sleepy Eye Public School District #84 requesting to allow a 8 foot front yard setback from the east property line (4th Avenue SW) for the placement of a 8 foot high and 5 foot wide directional sign at the elementary school entrance. The required front yard setback is 25 feet and the property is zoned Residential. Doug Domeier was present representing the school and explained the elementary school entry is now the main entrance for the school because of security reasons and the sign would direct visitors to the correct entrance. Planning and Zoning commission recommended approval. Councilor Zinniel moved to approve the variance. Councilor Stevermer seconded the motion and the motion carried.

Police Chief Andres introduced the new officers David Gordon and Collin Hagard to the council.

Canvass the votes from the August 9, 2016 Primary Election. Councilor Stevermer moved to approve the Canvas of the Primary Election. Councilor Schmidt seconded the motion.

City Attorney Fischer gave an update on the purchase and sale of the hotel property. The closing with Key Bank is scheduled for Monday, August 15, 2016 and then on August 22, 2016 the City plans to close with Ruhr Development for the purchase of the hotel property. City Attorney Fischer requested the approval of the sale of the hotel property to Ruhr Development. Councilor Zinniel called for the first reading of an ordinance for the sale of Lot 1 exc the North 195 feet, Block 1, Seven Gables Addition to Ruhr Development.

City Attorney Fischer also requested the approval of a lot split of the north 95 feet of the hotel property, Lot 1, exc the north 100 feet, Block 1, Seven Gables Addition. The City already owns the North 100 feet of Lot 1, Block 1 and with this additional 95 feet of the hotel property the city would own the north 195 feet of Lot 1, Block 1 for the event center. The matter was reviewed and Councilor Schmidt introduced the following resolution and moved its adoption.

Resolution 7-2016

WHEREAS, the City Code for the City of Sleepy Eye, Minnesota, provides that no division of an existing parcel of land within the City shall be filed, or accepted for filing, by the Brown County Recorder unless it is accompanied by a certified copy of a Resolution adopted by the City Council approving such division; and

WHEREAS, the City of Sleepy Eye is the owner of Lot 1, Block 1, Seven Gables Addition, excepting the North 100.00 feet, Section 29, Township 110 North, Range 32 West, City of Sleepy Eye, Brown County, Minnesota; and

WHEREAS, it is desirable for the City of Sleepy Eye to retain the north 95.00 feet of the Property as a location to build an event center; and

WHEREAS, the City of Sleepy Eye has found a willing purchaser, Sleepy Eye Lodging LLC, of the remaining portion of the property, whom has plans to remodel and update the structures on the property, and reopen it for business, as a hotel, with all haste; and

NOW, THEREFORE, BE IT RESOLVED, the City Council for the City of Sleepy Eye hereby approves the division of the real estate legally described as follows:

Lot 1, Block 1, Seven Gables Addition, excepting the North 100.00 feet, Section 29, Township 110 North, Range 32 West, City of Sleepy Eye, Brown County, Minnesota;

into two separate parcels being legally described in the attached Exhibit "A" and "B". The City of Sleepy Eye shall retain the property legally described in Exhibit "B".

Said Resolution was passed on August 11, 2016.

/s/James J. Broich
James J. Broich, Mayor of the City of Sleepy Eye

/s/Mark Kober
Mark Kober, City Manager

Councilor Stevermer seconded the motion and the motion carried.

City Attorney Fischer requested the approval of a Resolution to allow the Mayor and City Manager to sign and execute documents in real estate transactions of the City. Councilor Zinniel introduced the following resolution and moved its adoption.

Resolution 8-2016

**RESOLUTION AUTHORIZATING MAYOR AND CITY MANAGER
TO SIGN IN REAL ESTATE TRANSACTIONS**

Be it resolved, that the City Council for the City of Sleepy Eye (hereinafter City), hereby authorizes the Mayor and City Manager of the City to sign and execute any and all documents necessary in real estate transactions of the City. This authorization is in accordance with prior written authorities and practice of the City of Sleepy Eye.

I certify that the above resolution was adopted by the City Council of the City of Sleepy Eye on August 11, 2016.

/s/ James J. Broich

James J. Broich, Mayor

Councilor Schmidt seconded the motion and the motion carried.

City Attorney Fischer explained a variance for a 6 foot setback from the new north property line for the northeast corner of the hotel will be required after the lot split. The variance will be issued to the City and will transfer to the new owner. Councilor Schmidt moved to approve a 6 foot sideyard setback from the north property line. Councilor Stevermer seconded the motion and the motion carried.

City Attorney Fischer requested a resolution to do an option to buy contract with Tim and David Schieffert for Lot 3, Block 4, Burda Commercial Second Addition to purchase the property for event center parking until December 31, 2017. Councilor Stevermer introduced the following resolution and moved for its adoption.

Resolution 9-2016

**RESOLUTION AUTHORIZATING
OPTION CONTACT FOR EVENT CENTER PARKING**

Be it resolved, that the City Council for the City of Sleepy Eye, enter into an Option Contract to purchase a property, legally described below, from Timothy Schieffert and David Schieffert for event center parking, the option to be exercised any time before December 31, 2017. The property is legally described as Lot 3, Block 4, Burda Commercial Second Addition, City of Sleepy Eye, Brown County, Minnesota.

I certify that the above resolution was adopted by the City Council of the City of Sleepy Eye on August 11, 2016.

/s/ James J. Broich

James J. Broich, Mayor

Councilor Zinniel seconded the motion and the motion carried.

City Manager Kober reported on the search for a construction manager for the event center project. He has met with one firm and has 3 more to interview. Kober will report to the council next week.

City Manager Kober reported that he is currently working on three proposed real estate purchases with Dave Haala for Snow Farm acreage to straighten a property line, Tim and Dave Schieffert for event center parking and Miller Sellner Implement to purchase land located south of their property and will report to the council as soon as he has more information.

Tyler Janni was present to request a lot split that would create 3 lots with square footage less than the required 7,500 per lot. The property is located at 7th Avenue SW and Remmele Street SW and would be divided into three 6,255 square foot lots and two 7,864 square foot lots to build 5 storage buildings. This would be a permitted use in the Business Industrial zone and

would met all the required setbacks. Janni would build the buildings and sell to private parties for storage. Janni agreed to add property convents to the lots pertaining to green space and no outside storage. Councilor Zinniel requested to table the request until Janni could stake out the proposed property lines.

Engineer Palm reported on the following items:

- A. Sleepy Eye Lake Trail Phase II. Only one strip to be completed in the separation zone by Mathiowetz Const. Co. Options to stop people from driving on the trail was discussed.
- B. 2016 Hwy 14 Intersections Project. All utilities repairs are completed. The intersections at Main Street East and 5th and 6th Avenues NE still have cement to be poured and bituminous repair.
- C. Airport Building. Warranty issues are being taken care of and preparing documents for reimbursement. The seeding contractor has some erosion control to do.
- D. 2016 North Water and Sewer Project. M R Paving will start at the end of September and Public Works Director Elston is working with the manufacturer of the building on cutouts and the building foundation. Also waiting for the plumbing approval from MBA.

City Manager Kober reported on the following items:

- A. Adding general fund budget planning to the end of the council meeting on Thursday, August 17, 2016.
- B. Consideration of Ordinance No. 130, Second Series “Ordinance Excluding Rental License Rates From the Rental Ordinance”. Councilor Schieffert called for a second reading and moved its adoption. The City Clerk will cause publication and recording in the Book of Ordinances.

ORDINANCE NO. 130, Second Series

AN ORDINANCE EXCLUDING RENTAL LICENSE RATES FROM ORDINANCE NO. 82 SECOND SERIES, “CITY OF SLEEPY EYE RENTAL HOUSING ORDINANCE”

WHEREAS, the City Council for the City of Sleepy Eye has determined that amending Ordinance No. 82 Second Series “City of Sleepy Eye Rental Housing Ordinance”, would be in the public interest.

WHEREAS, the general objective of this Ordinance is to establish and enforce minimum rental housing maintenance standards, therefore ensuring adequate protection of public health, safety, and welfare.

WHEREAS, the Ordinance established rental license rates when it was passed in March 2006, and the City Council now wishes to exclude said rental license rates from the Ordinance, and establish future rental license rates via Resolution of the City Council.

NOW, THEREFORE, the City of Sleepy Eye does ordain as follows:

The rental license rates contained in Ordinance No. 82 Second Series, "City of Sleepy Eye Rental Housing Ordinance" are hereby excluded and removed. The rental license rates shall be established via Resolution of the City Council.

Passed by the City Council for the City of Sleepy Eye on August 11, 2016.

/s/ James J. Broich
James J. Broich, Mayor

Councilor Stevermer seconded the motion and the motion carried.

Councilor Schmidt moved to file the July Police Report and approve the Cash Fund Balances for 7/30/2016. Councilor Zinniel seconded the motion and the motion carried.

Councilor Schmidt moved to approve and allow the payment of the monthly bills in the amount of \$1,221,064.98 presented. Councilor Schieffert seconded the motion and the motion carried.

The meeting was properly adjourned at 8:19 p.m.

/s/ James J. Broich
James J. Broich, Mayor

Attest: /s/ Linda Tiedeken
Linda Tiedeken, City Clerk

