

Hastings, Minnesota
City Council Meeting Minutes
September 3, 2024

The City Council of the City of Hastings, Minnesota met in a regular meeting on Tuesday, September 3, 2024 at 7:00 p.m. in the Council Chambers at the Hastings City Hall, 101 East 4th Street, Hastings, Minnesota.

Members Present: Mayor Fasbender, Councilmembers Fox, Lawrence, Leifeld, Pemble, and Vihrachoff

Members Absent: Councilmember Haus

Staff Present: City Administrator Dan Wietecha
Assistant City Administrator Kelly Murtaugh
City Attorney Kori Land
Public Works Director Ryan Stempki
City Engineer Cody Mathisen
Police Chief David Wilske

Promotions and New Employees

Sawyer Jackson
Brandon Lubinski

Approval of Minutes

Mayor Fasbender asked if there were any additions or corrections to the minutes of the City Council regular meeting on August 19, 2024.

Minutes were approved as presented.

Comments from the Audience

Pete Likes, 3000 E. 4th Street, President of the East Hastings Improvement Association. Likes offered a history of the association and its work within the city. Likes acknowledged a recent letter about the Lake Isabel Park Project progress and he urged Council to find a way to get the Lake Isabel Park project completed.

Consent Agenda

Councilmember Leifeld motioned to approve the Consent Agenda, seconded by Councilmember Pemble.

6 Ayes, 0 Nays.

1. Pay Bills as Audited
2. Approve Special Event Designation – Fall Market Festival
3. Approve Amendment to Development Agreement – Heritage Ridge 3rd Addition
4. Authorize Signature – Sanitary Sewer Service Repair Request – 218 18th Street W
5. Authorize Signature – Water Service Repair Request – 527 Tiffany Drive
6. Authorize Signature – School Resource Officer and Traffic Control Agent Program Agreement

Continue: Public Hearing: Special Use Permit – Cannabis – Hastings Tobacco 1 (1769 Market Blvd)
Table: Resolution: Special Use Permit – Cannabis – Hastings Tobacco 1 (1769 Market Blvd)
Table: Resolution: Cannabis Retail Sales License for Hastings Tobacco 1 (1769 Market Blvd)

Wietecha provided a summary of the request for a Special Use Permit to allow Cannabis Retail Sales at Westview Smokes at 1355 South Frontage Rd.

Mayor Fasbender opened the public hearing at: 7:11 p.m.

Mayor Fasbender closed the public hearing at: 7:12 p.m.

No Council discussion.

Councilmember Fox motioned to table the requests to the October 21st City Council meeting, seconded by Councilmember Leifeld.
6 Ayes, 0 Nays.

Receive Update on Water Treatment Plant Siting Study

Stempski provided an overview of the update on the Water Treatment Plant (WTP) Siting Study. Stempski indicated three WTPs would be required to remove PFAS from the Hastings municipal wells. After the feasibility was conducted, public feedback was received, and Council communicated a strong preference to locate WTP No. 2 and WTP No. 3 outside of residential neighborhoods. Stempski specified the feasibility engineering criteria, and cost-effectiveness of the WTP site options. Stempski shared information on the financial impact of moving the original site locations out of residential neighborhoods. Staff recommends scheduling a follow up at the September 16th City Council meeting to develop offers to purchase property.

Council discussion on outreach to property owners and willingness to work with the City. Council reviewed how the WTPs work together in a blended system, noting that the PFAS will not be fully mitigated until all three plants are built and operational. Stempski indicated WTP #1 will have a residential fill station when completed in the Industrial Park. Council discussion around public engagement on the possible sites. Stempski indicated that we are very early in the process and explained that if there are additional steps in the process that Council requests, it can be built into the process. Discussion about the variation in the cost for the various site options and when that can become part of the conversation. Stempski indicated the site costs will be provided at future meetings. Council reminders about the process that has led us to this point. Council posed questions on the process of potentially acquiring County-owned land. Attorney Land indicated there would be a purchase agreement along with various approvals and details throughout the process. Council expressed appreciation for the information and responsiveness to resident concerns.

Councilmember Fox motioned to approve as presented and schedule a follow up at the September 16th meeting, seconded by Councilmember Leifeld.
6 Ayes, 0 Nays.

Resolution No. 09-01-24: Intent to Participate – MnDOT Highway 55 Signal Replacements Project S.P. 1910-57, Pleasant Drive and Westview Drive Intersections

Stempski introduced the new City Engineer Cody Mathisen and shared background information on the request. Mathisen provided an overview of the request to consider the resolution of intent to participate in the replacement of existing traffic signals on Highway 55 at the intersections of Pleasant Drive and Westview Drive including minor improvements at the same locations in 2025. The current traffic signals are programmed for replacement in MnDOT's State Transportation Improvement Program (STIP) and are well beyond their intended service life of 25 years. Mathisen indicated the project would require detouring of Highway 55 for approximately two weeks (one week in each direction). The City is required to cost share

50% of the signal repair costs, along with covering 100% of the costs for any City-owned utilities that need to be repaired or relocated within the project scope. Stempski indicated the cost share for the City to complete the project is currently estimated to be \$550,000 which includes the replacement of the existing signals and relocation and repairs of City-owned utilities.

Council discussion on placemaking and posed questions on the appearance of the signal lights compared to HWY 61 anticipated signal lights. Mathisen noted that lighting is being discussed, but the signal lights should match.

Councilmember Leifeld motioned to approve as presented, seconded by Councilmember Vihrachoff. 6 Ayes, 0 Nays.

Resolution No. 09-02-24: Approve Industrial Park Water Tower Plans and Specifications with Exception to the Prevailing Wage Policy and Authorize Advertisement for Bids

Stempski provided an overview of the request to adopt the resolution approving the Industrial Park Water Tower Reconditioning plans and specifications with exception to the Prevailing Wage Policy on City Projects and authorizing advertisement for bids. The project involves structural repairs and replacement of coating on the interior and exterior of the tower. The City contracted with KLM, the same consulting firm used in 2022 for the 4th Street Water Tower work, to prepare plans and specifications along with full time welding and coating inspections of the contractor's work. Similar to the 4th Street Water Tower project, KLM advises that because of the specialized work, experience and equipment needed we see the same pool of well qualified contractors across the country bidding this type of project regardless of the wage rates which is why the exception to the prevailing wage policy is included in the resolution. The goal is to go to bid in October to get the best bids for the project, with construction in spring 2025.

Council discussion on appreciation for the explanation of what goes into the reconditioning process, the prevailing wage exception, and cell antenna planning/service concerns. Stempski indicated the service providers are notified far in advance to create a plan with the same notification process for when the design can be installed again, noting that residents with service concerns should contact their providers directly.

Councilmember Leifeld motioned to approve as presented, seconded by Councilmember Fox. 6 Ayes, 0 Nays.

Special Vehicles on City Streets

Wilske provided an overview of the request for direction on whether to draft an update to our current ordinance to allow adults to acquire a permit to operate special vehicles on City streets. Wilske reviewed the current ordinance that allows this use by disabled persons with a permit and the previous inquiries regarding the topic. Wilske reviewed DNR definitions and state law allowances. Wilske provided Public Safety concerns with changing the current city ordinance to allow ATV use on city streets.

Council discussion on Public Safety Committee general sentiment was to support amending the ordinance to allow adults to get a permit to use ATVs on city streets. Discussion on the ability to get insurance if manufacturers do not recommend use on streets. Attorney Land indicated that the City would require proof of insurance. Council review of Public Safety Committee discussion about scooters, electric bikes and their use on streets. Council review of administrative citations that would result in someone driving an ATV without a permit by the City. Council discussed proposing an experimental approach. Wilske indicated experimental approaches may not be well received. Council discussion about the number of

unpermitted, underage drivers of ATVs currently on City streets, as well as concerns about safety of drivers of ATVs.

Councilmember Leifeld motioned to seek a revision to Ordinance 70.02, seconded by Councilmember Fox.
4 Ayes, 2 Nays (Lawrence, Pemble).

Resolution No. 09-03-24: Approve Preliminary 2025 City Property Tax Levy, Preliminary Budget, and Setting Truth in Taxation Hearing

Wietecha presented a brief overview of the resolution for the adoption of the Preliminary 2025 City Property Tax Levy, Preliminary Budget, and Setting Truth in Taxation hearing. Wietecha provided the status of ongoing revenues and one-time revenue sources. The proposed tax levy of a 7.5% increase is below the range anticipated by many other cities (8-10%), translating to a \$106 impact on the median value home. Then Wietecha indicated that the key changes in expenses are due to inflationary pressures, prior year commitments including debt service, and asset preservation. Utility rates are projected to increase, specifically, water rates (37.3%), sewer (4.5%), and stormwater (4.0%). The water rate increase is due to the efforts to mitigate PFAS and nitrates. Wietecha demonstrated the strong commitment to the Strategic Plan through the budget priorities for 2025.

Council discussion on appreciation for the work of the staff in assembling the budget proposal. Council explains the lack of conversation about the budget is due to earlier, extensive committee meetings and workshops to review the proposed budget.

Councilmember Vihrachoff motioned to approve as presented, seconded by Councilmember Leifeld.
6 Ayes, 0 Nays.

Resolution No. 09-04-24: Approve Proposed 2025 HEDRA – HRA Special Tax Levy

Wietecha presented a brief overview of the resolution for the proposed 2025 HEDRA – HRA Special Tax Levy resolution.

No Council discussion.

Councilmember Fox motioned to approve as presented, seconded by Councilmember Pemble.
6 Ayes, 0 Nays.

PFAS Update

As it is the first meeting of the month, Wietecha presented the PFAS Update.

Wietecha mentioned the siting study report from earlier in the meeting. Wietecha also reviewed the 2025 budget proposal that included the 37.3% proposed increase in water rates. Discussions with the MPCA continue. Last week the city submitted comments the 3M Cottage Grove Wastewater permit application. The City continues to explore and pursue multiple opportunities to offset expenses.

No Council discussion.

Announcements

- Summer Rec Programs at Levee Park...
 - Thursday, Sept 5, Music in the Park with “Belladiva – Variety Show Band.” Supported by the Ruth and George Doffing Charitable Fund.
 - Friday, Sept 6, Movies in the Park with “Wonka.” Sponsored by Ardent Mills. Please bring a non-perishable food donation.
 - Saturday, Sept 7, Bike with a Ranger on a guided tour of the 10 Mile Loop. Pre-registration required for this free event.
- Mattress/Box Spring and Document Shred Event this Saturday, September 7. Please see City website for details.
- The Fire Relief Association’s annual Booya is Saturday, September 14.
- Rivertown Live is Saturday, September 14.

Meetings

- Operations Committee Meeting on Monday, September 9, 2024 at 7:00 p.m.
- Planning Commission Meeting on Monday, September 9, 2024 at 7:00 p.m.
- Arts & Culture Commission Meeting on Wednesday, September 11, 2024 at 6:00 p.m.
- HEDRA Meeting on Thursday, September 12, 2024 at 6:00 p.m.
- City Council Regular Meeting on Monday, September 16, 2024 at 7:00 p.m.

Councilmember Pemble motioned to adjourn the meeting at 9:12 PM, seconded by Councilmember Lawrence. Ayes 6; Nays 0.

Kelly Murtaugh, City Clerk

Mary D. Fasbender, Mayor