REVISED

MINUTES
CITY COUNCIL MEETING

AUGUST 28, 2023

Mayor Shawn Reinke called the meeting to order at 6:00 p.m. Council members present were Jean Soine, Megan Brick, Paul Thielen and Neil Herzberg. Others present were Tariq Al-Rifai, City Administrator; Kristin Leither, Social Media Specialist; Ron Mergen, Public Works Director; Chuck DeWolf, Bolton & Menk, Inc.; Bill Spooner, Spooner & Glenz; Paul Wegner, Police Chief; Evan Carlson, Brian Dockendorf, Kay McDaniel, Chad Buerman, Ginelle Zimmerman, Jacob Bertram, Rebecca Kreuter, Anthony Kreuter, Matt Steinemann, Barbara Schmit, and Jehana Schwandt.

The Pledge of Allegiance was recited.

Council members gave verbal activity reports.

Mergen reported the following:

- Thanked residents for following Compost Site rules, there have been no incidents so far this year
- Donations at Compost Site and RV Dump look like they'll surpass last year's totals
- Attended a meeting about funding for the Downtown Storm Water Project, tree inventory and chloride program
- Airshow went well
- Writing another grant for Wellhead Protection Program funding, includes water festival, groundwater newsletter and well sealing
- Crews are out sewer jetting
- Part-timers have finished for the year and he thanks them for their hard work
- Water meters will be read in about three weeks

Al-Rifai mentioned the following:

- The EDAP Board is looking to implement a new interest free loan program to support local businesses as long as they are used to improve the property, more details will be available at the next Council meeting
- Attended the Fire Contract, Winter Events, and Planning meetings
- Thielen, Herzberg, Spooner, and he meet with a developer on residential development in town
- Participated in the kick-off call for the Active Transportation Grant the City received to help connect the Glacial Lakes Trail
- Attended the Soil and Water Conservation District meeting with Reinke and talked about several projects
- Xcel Energy's EV charging station pilot program is full and the City was not selected for this round

CONSENT AGENDA

Motion to approve the minutes from the following meetings: August 7, 2023 Special Joint Council, Planning & EDAP Board – Avon Plastics, July 31, 2023 Special Council 2027 Downtown Street Project, July 24, 2023 City Council, July 12, 2023 Ad Hoc Library Board, June 14, 2023 Policies & Procedures Board, July 18, 2023 EDAP Board, June 28, 2023 Special Ad Hoc Library Board, July 17, 2023 Planning Board, July 10, 2023 Public Works Board, July 18, 2023 Special Liquor Board, August 2, 2023 Special Council Working Session.

Motion to approve the following vouchers:

8/24/2023	Payroll Direct Deposit		$ 35,879.17
8/24/2023	Payroll Taxes	106820-106824	$ 3,874.40
8/24/2023	Payroll - Fed		$ 10,396.75
8/24/2023	Payroll - State		$ 1,962.70
8/24/2023	Payroll - TASC		$ 41.53
8/24/2023	Payroll - PERA		$ 8,475.11
8/24/2023	Payroll - Further		$ 2,574.53
8/24/2023	Payroll - Health Partners		$ 5,961.48
8/24/2023	Payroll - AFLAC		$ 220.67
8/24/2023	Payroll - Met Life Dental		$ 194.16
8/24/2023	Payroll - Lincoln		$ 1,043.91
8/28/2023	Vouchers	106825-106873	$ 108,998.36
		Total	$ 179,622.77

Motion to accept the resignation from Adam Jensen, Part-Time Liquor Store Clerk, effective August 14, 2023.

Motion to accept the resignation of Katy Westlund from the Planning Board, effective August 21, 2023.

Motion to approve the Ampe Park Grant Contract Agreement in the amount of $255,500.00 from the State of Minnesota.

Motion was made by Herzberg to accept the Consent Agenda. Seconded by Soine and unanimously carried.

PUBLIC OPEN FORUM

Jacob Bertram urged the Council to deny the Solar Farm Conditional Use Permit as recommended by the Planning Board. He cited that it would not create any lasting jobs and the solar panels cannot be recycled. Neighboring areas have placed moratoriums to put a hold on building new solar farms and asks Council to listen to residents.

Barbara Schmit, a Township resident, agreed with Jacob Bertram stating that the land could be used for something else. She also stated her delight that Nature Energy plans have been put on hold.

An email was submitted by Jeff Bertram which Reinke read to the Council. He strongly recommends denying solar industrial sites in Paynesville. Due process should be followed

including the order in which the process should follow. Jeff Bertram feels the surrounding area has been over developed with solar citing Paynesville Township prohibiting future solar developments. He asks the Council to follow the Planning Board's recommendation of denial.

VARIANCE – CG ENTERPRISE LLC DBA BUERMAN GARAGE DOORS

The City has received a Variance application from CG Enterprises, LLC DBA Buerman Garage Doors who has purchased 820 Business 23 W (former carwash and storage sheds). The property is zoned C-2 Highway Commercial and is also located within the Shoreland Overlay District. The property in question is Parcel No. 70.39478.0000 and legally described as:

> The West 125 feet of Lots 7 and 9, Block 46, Townsite of Paynesville, according to the plat and survey thereof now on file and of record in the Office of the County Recorder, Stearns County, Minnesota.

Buerman is requesting the following:

> 1. The construction of improvements on the above premises which will result in lot coverage of 76% of the lot. This lot coverage exceeds the maximum lot coverage within the Shoreland Overlay District which limits lot coverage to 30%. Maximum lot coverage in C-2 Highway Commercial is 50%.
> 2. A variance from the strict requirement of a 20-foot setback to allow a 15-foot setback.

The property is unique in that it is part of the Shoreland Overlay District so that it is subject to regulations of both the C-2 Commercial District and the Shoreland Overlay District; and the property currently exceeds lot coverage limits, the current lot coverage being 64%. In addition, the current buildings on the property are potentially dangerous and hazardous, due to the amount of mold and deterioration within the existing buildings.

The Planning Board has reviewed this and recommends approval.

Buerman stated that he plans to build a storefront for his garage door business at this location with a parking lot big enough for trucks and trailers to turn around in.

> **Motion was made by Soine to set the CG Enterprises, LLC Variance Public Hearing for Monday, September 25, 2023 at 6:30 p.m. Seconded by Thielen and unanimously carried.**

Reinke recessed the Regular City Council meeting at 6:16 p.m. and opened the Nuisance Public Hearing for the property at 711 Minnesota St.

NUISANCE PROPERTY PUBLIC HEARING – 711 MINNESOTA ST

Al-Rifai reported that the property has greatly improved and the nuisances have been removed. Wegner said he's not sure if the camper has been registered yet, but otherwise he sees no issues. Thielen said the camper registration was delayed due to health issues, but if only the camper is left then he thinks it's fine to close the abatement process. Reinke stated the camper was the least of their concerns and is grateful for the work that was put in to clean up the property.

Spooner stated he will complete the draft for the proposed findings and send them to Al-Rifai. Reinke stated they will bring the proposed findings to the next Council meeting.

Reinke closed the public hearing and re-opened the Council meeting at 6:20 p.m.

CONDITIONAL USE PERMIT – FERCHE FAMILY LIMITED PARTNERSHIP – 1 MEGAWATT SOLAR FARM – ENTERPRISE ENERGY

The City has received a Conditional Use Permit (CUP) Application from Ferche Family Limited Partnership (Enterprise Energy) to allow a 1 megawatt solar farm on a portion of land lying east of Lake Ave. Council reviewed the application. A second application will be submitted by Jason Ferche for an additional 1 megawatt farm. Evan Carlson, Enterprise Energy and Brian Dockendorf, VP of Ferche Companies will be in attendance to present the proposed solar farm plan.

This would be the first solar farm within the City of Paynesville. The land in question for the proposed solar farm would also need to be platted and re-zoned to allow for such use. However, the landowner and developer do not want to go through the platting process and re-zoning process if in the end the City would not allow the land to be used for a solar farm. Therefore, the proposed CUP, if approved, would be contingent upon the land being platted and re-zoned.

Per the City Ordinance solar farms are only allowed in I-1 – Light Industrial or I-2 Heavy Industrial districts with a CUP. A CUP typically sets conditions that the applicant would need to comply with. Proposed conditions are outlined in the Report & Recommendation.

The Planning Board has reviewed this, held a public hearing and recommends denial of the Solar Farm Conditional Use Permit, Council reviewed the Report & Recommendation. The Council Action On Application For Conditional Use Permit is attached for Council's consideration. The Council will need to work through this document.

Additional site plan comments from Ron Mergen, Public Works Director & Chuck DeWolf, City Engineer:

- City MUST be able to access the easement
- Wetland impact
- Numerous 40' Power poles close proximity to Lake Ave. and the aesthetics of such
- Storm water basin is okay
- City Engineer will need to see a grading plan; prior to construction

Carlson stated that the project complies with the new ordinance. The site is not visible by neighboring homes and is already slated for industrial use. It would be an enormous expense for the City to get utilities and other services out there for other projects and it's just hard to get to in general. The current land owners have looked and they haven't been able to find anything else to do with this site. With a solar farm there, property taxes will increase, without it, the land is sitting unused paying minimal property taxes. Equipment will be disposed of securely contradicting some concerns brought up at the public hearing. There was no good reason given for denial other than public opposition, which is not grounds for denial of the CUP.

Reinke asked about some of the Planning Board findings because he does not understand how they came to some of their conclusions about the conditional use being injurious to nearby properties or what issues there would be with odor, dust, fumes, noise, or vibrations. He understands it was a split vote, but he asked Soine what the discussion was that led to some members voting the way they did.

Reinke asked Spooner if they grant the CUP now, would apply to the entire lot, or just the section they plan to plat. Spooner said the CUP is for the land as described which only describes the land east of the creek, which will be separated and platted later. With that the CUP would only apply to that parcel of land. Reinke asked why the platting process wasn't done first like it normally is. Carlson responded that the CUP could be denied. If they plat the land first and the CUP is denied then the owner and the City are stuck with a parcel platted for that use. Once the CUP is approved the land will be re-platted.

Reinke stated that the Council passed the new zoning ordinance last year to include solar, if they don't allow solar on this site then where else were they planning to allow it. There is potential for the solar farm to cause issues with future development of that land, but there is nothing there currently that would be harmed by a solar farm being nearby. Reinke still does not understand some of the Planning Boards findings. Soine believes the Planning Board found the CUP would be injurious for future development in the area.

Thielen said the City has plenty of other land to develop. Every year the City is short on the budget so why are they turning away extra income. He can't see what else would go there next to the highway. Thielen said that the Township's moratorium on solar doesn't affect the City and shouldn't play into the City's decision. The City is trying to attract new businesses, but the population isn't large enough to bring in bigger business so they have to go step by step with smaller entities.

Reinke noted that he has been concerned about the disposal of the solar panels and other equipment, but technology is rapidly catching up with the need to recycle them and there should be a solution soon. Nothing else can be done with the described land without putting hundreds of thousands of dollars into land work, which nobody has the money and/or will to do. The CUP process is there and Reinke can't endorse the findings that a solar garden would be injurious to neighboring properties.

Herzberg added this land has been for sale for over 20 years now. Developers aren't buying just any plot of land they can get their hands on. The City is struggling to find developers to build housing in a different area of the City. Dockendorf said they've tried to bring apartments, houses, businesses to build on that land, but no one is interested. With the setbacks and shape of the described portion of land, they won't be able to get anything in that corner to generate revenue other than a solar farm. Once they get something started in that area, it will help generate interest in the rest of the land that is up for sale so they can hopefully start bringing in more housing, apartments, and other businesses into town.

Herzberg had heard about places that grow produce in the solar gardens and asked if that was an option for this solar farm. Carlson said that he is looking into that, it requires alterations to the panel layouts. Usually it comes up when a piece of agricultural land is being used for the solar garden. For this location he is proposing to plant a pollinator friendly seed mix.

Soine stated one of the biggest concerns from the public hearing was doing the CUP process out of order and whether Xcel Energy would by the energy produced by the solar farm. Carlson agreed that he does need to get a connection agreement with Xcel, which he has already applied for. Xcel will calculate the work and cost to accommodate the connection and present the price to Carlson, which is up to him to accept or deny. Carlson assured that nothing will be built until that agreement is approved.

Soine said another concern from the public hearing was that there are already 15 solar gardens in the Township and why there is a need for more of them. Brick said the Township is profiting from the taxes paid by the solar gardens so why can't the City profit from it as well. There are so many lots that haven't sold even with all of their effort to advertise and sell them, so why should those lots sit empty if there is someone interested in them.

Reinke asked the Council to think on this more after the next public hearing. If they approve the CUP, they would need to designate an amount of money to ensure proper decommissioning. Reinke feels he is not educated enough on the topic and brought up the idea of holding another public hearing on the matter.

Reinke recessed the Regular City Council meeting at 6:47 p.m. and opened the Nuisance Public Hearing for the property at 899 Flanders Dr.

NUISANCE PROPERTY PUBLIC HEARING – 899 FLANDERS DR

Al-Rifai reported no noticeable change since the abatement letter was sent with one vehicle still unregistered. Property owner, Jehana Schwandt, said her husband is trying to get parts and supplies for the vehicles which is proving difficult. They are working towards repairing or moving the vehicles and wanted to wait before getting all of them registered.

Reinke noted he thought Schwandt had said they all ran and could be moved at the last public hearing. Schwandt said that was what her husband told her as they are his vehicles. Her husband has plans for getting all of them working.

Reinke asked what all of the offending items were valued at. Neither Al-Rifai or Schwandt knew what they were worth, Schwandt offered to ask her husband or father-in-law. Reinke asked how long it would take to get the vehicles repaired. Schwandt hopes to have them fixed within the next month or two, but needs to talk to her husband about it. She asked the Council to give her more time to either repair or move the vehicles to her father-in-law's place.

Reinke asked when the notices were first sent out. Spooner responded notices were sent April 30th and abatement letters were sent June 22nd. He suggested the Council can give a deadline for when the nuisance needs to be removed by when they make their findings. Since the nuisance in question is not a health hazard there is no problem with giving extra time.

Reinke closed the public hearing and re-opened the Council meeting at 6:56 p.m.

NUISANCE PROPERTIES – 711 MINNESOTA ST & 899 FLANDERS DR

Reinke reviewed the proposed findings with the Council and asked how they wanted to proceed. Brick noted that even the City has had a tough time getting vehicles and parts right

now. She feels they should give the residents at 899 Flanders Dr. more time, but make the deadline before the winter season. Herzberg stated he has heard complaints from neighbors and suggest giving them 30 days. Schwandt said no one has approached her or her husband to complain about the vehicles. Reinke responded that it has happened before where residents talk to the Council before talking to their neighbors about a problem.

Reinke feels the Council cannot make findings without the value of the offending items. Spooner responded it would be helpful to have a value, but it's hard to value inoperable and unregistered vehicles. Schwandt said only the Blazer is unregistered and only the Camaro is inoperable. Reinke suggested listing a nominal value for the findings and giving them 60 days to abate the nuisance. The rest of Council agreed. Reinke wished to have written findings to approve for both properties so both findings will be approved at the next Council meeting.

CONDITIONAL USE PERMIT – FERCHE FAMILY LIMITED PARTNERSHIP – 1 MEGAWATT SOLAR FARM – ENTERPRISE ENERGY CONTINUED

Reinke asked what everyone thought of tabling this until they could hold another public hearing. Carlson said he would have to negotiate with Xcel Energy and put more money at risk. It's a positive sign, but would still like the Council to approve the CUP today. He stated that some people just don't like solar, but the land in question is a good spot for it. Spooner stated that if they hold another public hearing they will need to extend the time on the permit since their ordinance only allows for 60 days for decision making. Thielen figured another public hearing would just be repeating what was said at the last one.

Reinke mainly just wants more information on the decommissioning price and process. Spooner said Stearns County currently requires $185,000 to be set aside for decommissioning, some places require less but that is Stearns County's current rate. Carlson explained, usually he or the municipality would hire a third-party engineer to calculate the price of decommissioning. Then the municipality would require the developer to put away 100% of that amount for decommissioning, Stearns County requires around 150% which is why it seems high. $180,000 is a lot for decommissioning a solar garden, but if that is what the City requires Carlson is willing to set that much aside for it. Reinke asked if the $185,000 included hazardous waste disposal if the panels are left behind. Carlson said that he will be obligated to remove everything from the site and the panels are recyclable they just need to be broken down first.

Reinke said the Council's options are to either set another public hearing or vote to approve or deny the permit.

> **Motion was made by Thielen to approve the application for conditional use permit for the Ferche Family Limited Partnership, 1 Megawatt Solar Farm for Enterprise Energy. Seconded by Herzberg.**

Brick expressed her desire to have more time to address some concerns brought up at the Planning Board's public hearing, including screening from the road. Spooner brought up that screening could be part of the conditions for the permit, as well as escrow for decommissioning and vegetation. Reinke said that if they plan to reject the Planning Board's finding then Council needs to make their own findings and vote on those. The current motion calls to act on the

agreement but he feels they cannot do so with the agreement being incomplete. They have to go through their own findings first.

Motion was unanimously opposed.

Motion was made by Thielen to reject the findings of the Planning Board. Seconded by Herzberg and carried 4:1 (Soine, no; Reinke, yes; Brick, yes; Herzberg, yes; Thielen, yes).

Reinke said Council will need to go over the proposed findings and agree to conditions. For decommissioning escrow, Stearns County requires $185,000 while City staff recommends between $50,000 to $75,000. Reinke still wishes for more time to explore all the options and concerns. Herzberg pointed out that the lot has been for sale for a while and with the way things are going the rest of the property could still be for sale when the solar garden is decommissioned. Thielen is in favor of deciding on figures tonight. He feels another public hearing will just be them going in circles.

Motion was made by Brick to set another public hearing. Seconded by Reinke.

Reinke asked Carlson if he was ok with them coming back to this on September 28th. Carlson doesn't want the Council to make a hasty decision, but he'd rather avoid another meeting. There are people who will oppose solar no matter what he says. There really is nothing else they can do with the land in question and he'll have to put a lot of work into it just to get it ready for the solar farm. If the Council needs more time they should take it, but he doesn't want to open himself up for more criticism. Herzberg pointed out that the one neighbor they would have is the lift station and he doesn't know who else would want to be their neighbor. Mergen added that they can only have industrial in that property due to water pollution control regulations near the lift station and sewage ponds.

Motion was opposed 1:4 (Soine, no; Reinke, no; Brick, yes; Herzberg, no; Thielen, no).

Council proceeded to go through the findings per Spooner's recommendation. Reinke clarified with Spooner that the question about it being injurious to nearby properties only applies to the properties as they currently stand.

Motion was made by Thielen that the conditional use will not be injurious to the use and enjoyment of other property in the immediate vicinity. Seconded by Herzberg and unanimously carried.

Motion was made by Thielen that the establishment of the conditional use will not impede the normal and orderly development and improvement of surrounding vacant property for the predominant uses in the area. Seconded by Herzberg and approved 3:2 (Soine, no; Reinke, yes; Brick, no; Herzberg, yes; Thielen, yes).

Motion was made by Brick that there are adequate utilities, access roads, drainage and other necessary facilities existing or proposed to be built by the applicant. Seconded by Soine and unanimously carried.

Motion was made by Thielen that adequate measures have been or will be taken to prevent any issues with odor, fumes, dust, noise and vibration so that none of these will constitute a nuisance and the plans provide for control of lighting in such a manner that no disturbance in the neighborhood will result. Seconded by Herzberg and unanimously carried.

Motion was made by Brick that proper facilities are provided which will eliminate any traffic congestion or traffic hazard. Seconded by Soine and unanimously carried.

In regards to there being a need in the community for the solar garden, Reinke cited that businesses have told him that having access to sufficient power is very attractive. Therefore, he sees it filling the need to attract businesses to the City and providing for their power usage.

Motion was made by Thielen that there is a demonstrated need in the community for the proposed use. Seconded by Herzberg and approved 3:2 (Soine, no; Reinke, yes; Brick, no; Herzberg, yes; Thielen, yes).

Motion was made by Thielen that the proposed use is in compliance with any relevant land use plans adopted by the City. Seconded by Herzberg and unanimously carried.

Reinke reviewed the findings and reminded Council that if they grant the permit then they will need to decide what would be appropriate for decommissioning escrow.

Motion was made by Thielen to grant the conditional use permit. Seconded by Herzberg.

Brick said she would still like more time to get more information on this. Herzberg reiterated that Mergen stated that a solar garden is really the only thing that can go there. Brick feels there was information presented today that was not available to the Planning Board and would still like more time.

Motion was approved 3:2 (Soine, no; Reinke, yes; Brick, no; Herzberg, yes; Thielen, yes).

For the security agreement, Spooner said the Council just needs to set a dollar amount and it's up to the developer to figure out how they want to pay it. If the developer paid cash, the money would sit in an account until it was needed. Reinke pointed out that City staff recommended $50,000 to $75,000 while Stearns County requires $185,000.

Motion was made by Soine to set the security at $75,000. Seconded by Thielen.

Reinke thought $75,000 is a little low and recommends $110,000. Herzberg was thinking closer to $100,000 as well.

Motion was opposed 2:3 (Soine, yes; Reinke, no; Brick, no; Herzberg, no; Thielen, yes).

Motion was made by Brick to set the security at $100,000. Seconded by Herzberg
Thielen thought that would be too much since the developer is already putting down a lot of money to build the roads and everything else.

Motion was approved 4:1 (Soine, yes; Reinke, yes; Brick, yes; Herzberg, yes; Thielen, no).

Spooner told Council they need to decide how much will be put aside for vegetation. Carlson explained usually they come up with a vegetative management plan and then set aside a percentage of the cost as the security. He plans to plant a pollinator friendly seed mix following DNR guidelines, which will take a few years to establish, but then won't need much maintenance. Spooner said that how this should work is that Carlson will submit the vegetative management plan to the City with the cost of labor and material, and Council will decide a percentage of that estimated cost to set aside as security. He said that Stearns County required 125% of the cost on one of their recent agreements. Carlson said that would be fine with him.

Motion was made by Soine to request a cash escrow or letter of credit meeting the requirements in the amount of 125% of the cost to vegetate the project area. Seconded by Herzberg.

Reinke said it was brought up at the Planning Board public hearing that solar panels themselves are not pollinator friendly, but his own research came up with the opposite.

Motion unanimously carried.

Carlson reported that the south side is heavily vegetated and the north is highway right-of-way, so there shouldn't be a need to screen. Reinke agreed especially since it will be developed into industrial use. Mergen pointed out that the trunk main runs across this area and if they approve the permit then they either need to be given access or the fencing needs to be adjusted. Carlson agreed to allow the City and emergency services access. Spooner can add that as a condition in place of the screening. Al-Rifai asked if it was possible to move some utility poles closer to the solar farm and away from Lake Ave. Carlson is willing to agree with that, but he will need to talk with Xcel and they will need to agree as well.

Motion was made by Thielen to approve the Council action on the application for conditional use permit for the Ferche Family Limited Partnership, 1 Megawatt Solar Farm for Enterprise Energy with all findings included. Seconded by Herzberg and unanimously carried.

Spooner will redraft the document to include the new findings by Council and bring it down to City Hall for signatures tomorrow.

Reinke turned the meeting over to Soine as he needed to leave. Soine recessed the Regular meeting at 7:50 p.m. for a five-minute break. Soine re-opened the Regular meeting at 7:55 p.m.

2023 CAPITAL IMPROVEMENT PLAN (CIP)

Mergen presented the 2023 Capital Improvement Plan (CIP). Excerpt of minutes from the August 14, 2023 Public Works Board meeting:

STREET CIP

Members reviewed the updated CIP and noted the huge price increase in the downtown project. There has been a huge increase in construction costs and the estimates are reflecting this increase. It was questioned if we could move the future projects to three year increments rather than two year. Also discussed was the assessment policy which currently states we will assess:

- *Street, curb & gutter assessed at 50%*
- *Sidewalk, City pays 100%*
- *Water and sewer mains, City pays 100%*
- *Water and sewer service lines are assessed at 100%*

Members asked to research what other communities are doing for rehab projects. It was discussed what other options there are for funding a street project. Having the amount put on the taxes or assess for the costs are the two main options. A ½ percent sales tax was requested at the informational meeting to help fund the project. Members all noted this would be an option for funding a future library or project such as that, but not a street project.

Motion was made by Loven to approve the 2023 Street CIP with the downtown project scheduled for 2027 and recommend such to the City Council. Seconded by Freilinger and unanimously carried.

Mergen reported that they recommend leaving projects at every two years for now and look at it again in the near future.

Motion was made by Herzberg to approve the 2023 Street CIP with the Downtown Street Project scheduled for 2027. Seconded by Thielen and unanimously carried.

AMENDMENT TO PERSONNEL POLICIES – CANNABINOIDS

Al-Rifai gave a verbal report. Council reviewed the Drug Free Workplace section from the Personnel Policies with the proposed added language regarding the prohibition of cannabinoids in the work place. Excerpt of minutes from the August 9, 2023 Polices & Procedures Board meeting:

ADOPTING LMC POLICY ON ALCOHOL & DRUG TESTING

Members reviewed the League of Minnesota Cities (LMC) policy on alcohol and drug testing noting the changes made to accommodate THC and cannabinoids. Al-Rifai said the policy does not cover employees having cannabinoids in the workplace and it was LMC's suggestion to have cities add it to their policies.

Reinke added that we should hold off on adopting this revised policy since it's still changing and being updated. Members suggested adding a prohibition from having

cannabinoids in the workplace in the Personnel Policies and bringing it to Council for approval.

Brick asked if this applied to medical use, with the current language an employee would not be able to use it even if they have a medical reason. Spooner also pointed out that the Liquor Store sells THC products. Wegner said that police officers are technically in possession of cannabinoids when confiscating them, which would go against the policy with the current wording. He would like more clarification on what possession means and Brick agreed. Spooner said that could include some exceptions for police officers and liquor store employees to handle cannabinoids while doing their jobs.

Al-Rifai said the purpose of the policy is to prevent employees from bringing cannabinoids to work or using them while working. Brick has had concerns brought to her wondering if the policy would prevent City employees from using THC products at all, even outside of work, and she wants to make sure the language is clear. Al-Rifai offered to work with Spooner to rework the policy and bring it back again to another meeting.

AMENDED PTO DONATION PROGRAM

Al-Rifai gave a verbal report. Council reviewed the Amended PTO Donation Program adding language that "any employee who has submitted a notice of resignation or similar notice may, at the time of the termination of their employment with the City, donate any and all accrued PTO hours to the bank." Excerpt of minutes from the August 9, 2023 Polices & Procedures Board meeting:

REVIEW PTO BANK POLICY

Al-Rifai said this was brought up for discussion as a result of an employee leaving before completing the probationary period. The employee was not able to have the PTO paid out and agreed to donate it to the PTO Bank. However, the current policy does not allow for this.

Members agreed to add in language to allow for this. Reinke suggested adding the following sentence under Donating Procedures in the PTO Bank Policy in the bullet point before the last one which reads "Abuse of this policy will not be tolerated":

"The above restrictions notwithstanding, any employee who has submitted a notice of resignation or similar notice may, at the time of the termination of their employment with the City, donate any and all accrued PTO hours to the bank."

Motion was made by Reinke to add the suggested language to the PTO Bank Policy and recommend such to the City Council. Seconded by Herzberg and unanimously carried.

The Policies & Procedures Board has reviewed this and recommends approval.

Motion was made by Brick to approve the Amended PTO Donation Program and allow the donation of banked PTO hours from former Police Officer, Logan Eck to be placed in the bank. Seconded by Thielen and unanimously carried.

Motion was made by Brick to meet in closed session as permitted by MN State Statute Section 13.D.05, Subdivision 3 to discuss an offer received on real property located at 311 Washburne Ave. Seconded by Herzberg and unanimously carried.

Mayor Pro-Tem Soine recessed the Regular City Council meeting at 8:12 p.m. to go into Closed Session to discuss an offer received on real property located at 311 Washburne Ave.

Mayor Pro-Tem Soine closed the Closed Session at 8:31 p.m. and re-opened the Regular City Council meeting.

Motion was made by Herzberg to instruct the City Attorney to negotiate a counter offer for real property located at 311 Washburne Ave. Seconded by Brick and unanimously carried.

The closed session to discuss developing an offer on the property under pivot 8, with parcel numbers 26.15491.004 & 26.15491.005 was tabled until the next meeting due to the late hour.

INFORMATIONAL

Mayor Pro-Tem Soine reviewed the following: July Incode Financial Reports, Budget vs. Actual Graph, Investment Report, Liquor Revenue & Expenses, City Attorney Spreadsheet & Capital Improvement Report. All reports can be found on the City's website, September & October Meeting Schedules, and Liquor Store Report.

There being no further business, Mayor Pro-Tem Soine adjourned the meeting at 8:33 p.m.

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Tariq Al-Rifai, City Administrator