

MINUTES
BUHL CITY COUNCIL MEETING
BUHL CITY HALL
5/7/2024

Tuesday, May 7, 2024

6:30 P.M.

1. CALL TO ORDER by Mayor Carter at 6:30 p.m.

2. ROLL CALL:

Councilors: Hadrava Kealy Loeffler Towner
Mayor: Carter

Administrator: Jeffries
Public Works Foreman: Pink
Attorney: Kearney
Engineer: Jamnick
Police Chief: Manner

3. PLEDGE OF ALLEGIANCE:

4. APPROVAL OF AGENDA/COUNCIL ADDITIONS TO AGENDA

None.

Motion by Towner to approve the agenda as presented.

Supported by Hadrava.

Discussion. Approve/Reject/Table.

Mayor Carter made recognition of the service of Mr. James Larson on the City Council of the City of Buhl.

Mr. Larson has passed away, and a moment of silence was observed for him.

The thoughts of the City are offered to the family of Mr. Larson

Motion carried unanimously.

5. REPORTS FROM DEPARTMENT HEADS:

Administrator Jeffries:

Noted that Sterle & Co., the City's independent auditor, has completed 2023 on-site field audit work and that the remainder of the work will be at Sterle & Co.'s offices, and that a presentation of these findings is preliminarily scheduled for the City Council meeting of June 11, 2024;

Noted that the construction schedule for Damian 2nd Addition project has been discussed; that a pre-construction meeting was held May 7, 2024; that a change order for the date of substantial completion has been signed by the Prime Contractor and the City Engineer with no change in project cost; and noted a scheduled date of substantial completion as set for June 20, 2024;

Noted that the Iron Range Tourism Bureau (IRTB) is, by popular demand, preparing a new ATV trails map, and is soliciting advertising welcoming comments from member communities on this new map - \$100 for a 4" (w) x 2" (h) color ad – this will be presented to the City in the near future;

Noted that Mn Power is in the process of replacing seventeen (17) power poles in the Highway 169 corridor as a part of their internal periodic maintenance asset replacement program, and stressed that this does not impact the City in any way, financial or otherwise, and highlighted that construction equipment will be working in the area of Highway 169 and Pennsylvania Avenue, and urged motorists to drive carefully in this area;

Noted that summer Highway 169 improvements work is underway, will continue all summer, will include lane closures and detours, highlighted the details of the construction project, and stressed that motorists should exercise caution when travelling on this stretch of roadway; and

Noted that no further information has been received from B2 Bank regarding preparation of a lease for the former 1st National Bank of Buhl for the Buhl Youth Center.

6. CITIZENS FORUM:

Mel Staffaroni, 3231 Culver Avenue, Buhl, MN

Ms. Staffaroni offered several comments and raised several questions regarding the potential establishment of a Buhl Youth Center, specifically with regard to the possibility of leasing a building (the former 1st National Bank of Buhl), including -

How much money does the City have for this initiative?; How much grant money remains (there are 2 open grants) subsidizing this initiative?; How much will the utilities be per month?; and How long will this money last?

Ms. Staffaroni noted that there are or will be costs associated with such a facility, including, but not limited to liability insurance costs, staffing costs, cleaning costs, and the like, and noted that the City and the public needs to know how much money the City would be incurring for this facility -

7. CONSENT AGENDA

A. Minutes:

- i. Regular City Council Meeting – April 16, 2024

B. Claims:

i. Payroll #8	\$ 15,281.62
Payroll #9	\$ 14,534.79
Payroll 4 (April 2024)	\$ 2,350.00

ii. A/P \$ 35,535.38

TOTAL \$ 67,701.79

Motion by Towner to approve the consent agenda as presented.

Supported by Loeffler.

Discussion. Approve/Reject/Table.

Motion carried unanimously.

8. BUSINESS:

- A. Consider Closing Fund 607 and Transferring the Assets and Debt to Funds 601, 602, and 430, Retroactive to December 31, 2023.

Sterle & Company, LTD, the independent financial auditor for the City of Buhl, is concluding its annual review and audit of the City's financial performance for fiscal year 2023.

As a part of the result of that work, Sterle & Company, LTD is requesting specific actions be taken regarding certain City of Buhl funds and fund balances.

Specifically, this request is to close out Fund 607 – City Wide Infrastructure (project), and transfer the assets and debt (per existing debt agreements) to Funds 601, 602, and 430.

These actions are requested to be recorded retroactive to December 31, 2023.

Recommendation is to accept the auditor’s recommendation(s) and close out Fund 607 by transferring its assets and debt to Funds 601, 602, and 430, retroactive to December 31, 2023.

Motion by Loeffler to close out Fund 607 – City Wide Infrastructure (project), and transfer the assets and debt (per existing debt agreements) to Funds 601, 602, and 430, retroactive to December 31, 2023, per the direction of the City’s independent financial auditor, Sterle & Company, LTD.

Supported by Hadrava.

Discussion. Approve/Reject/Table.

The Administrator explained that these funds were created for projects, and when projects are completed/concluded, these funds appropriately are to be closed out, per normal accounting practice. Remaining monies in these funds are to be moved to the appropriate asset funds and to a (temporary) holding fund (Fund 430) pending final disposition to their respective asset fund.

Motion carried unanimously.

- B. Consider Approving the Remaining \$35,000 Loan Receivable from BEDA for the 2020 Sale of the Martin Hughes School to a Private Party as a Contribution to BEDA for 2023, Retroactive to December 31, 2023.

In 2020, the City sold the former Martin Hughes School to a private party for the sum of \$85,000. That purchase agreement (approved by the City Council) referenced that the City would need to satisfy a lien against the property in the amount of approximately \$104,000. This lien was in the name of the Buhl Economic Development Authority (BEDA).

Although the City worked with various parties (namely the Department of Iron Range Resources and Rehabilitation (IRRR) and the Costin Group) to attempt to have that lien forgiven, it was ultimately agreed that the City would remit \$85,000 to the IRRR to satisfy this lien.

Since BEDA held the lien, and the City received the purchase price, the City’s auditor recommended, and the City approved, transferring \$85,000 from the City General Fund into the BEDA checking account so that BEDA could satisfy the lien.

This action created a loan receivable (from BEDA to the City) in the City's General Fund, and a corresponding payable (to the City) in the BEDA financial records.

A municipality is allowed to contribute up to \$50,000 per year to an EDA, so the City Council at that time agreed that \$50,000 of the existing (\$85,000) loan receivable would be considered as a 2021 contribution to BEDA, effectively reducing the loan receivable (from BEDA) balance to the City to \$35,000.

Recommendation is to approve the remaining loan receivable (\$35,000) as a 2023 contribution to BEDA from the City, and close out this loan receivable.

Motion by Towner to consider the remaining loan receivable of \$35,000 from BEDA to the City as a 2023 contribution from the City to BEDA and close out the existing loan receivable.

Supported by Hadrava.

Discussion. Approve/Reject/Table.

The Administrator pointed out that it is a common mechanism that cities support (their) EDAs up to the extent of \$50,000 per year. These appropriations typically come from a city's general fund.

Motion carried unanimously.

C. Consider Approval of and Authorization to Apply for a Blandin Foundation Grant to Assist with Updating the City of Buhl Comprehensive Plan.

The City has previously considered an update to the City's Comprehensive Plan.

The most recent update to the municipal comprehensive plan was in 2015.

Proposed budgetary costs for these initiatives is at least \$15,000, but likely higher.

The City continues to attempt to identify and locate funding assistance for this initiative, as this initiative is currently not budgeted for 2024.

The City submitted a letter of interest (LOI) to the Blandin Foundation to be considered for a Small Communities & Rural Placemaking Grant, and received a favorable response inviting the City to submit a full application.

The full application is due by May 10, 2024, and includes "creating or updating a community's comprehensive plan" as an eligible project.

Recommendation is to authorize the Administrator to submit a full application for a Blandin Foundation Small Communities & Rural Placemaking Grant to update the community's comprehensive plan.

Motion by Hadrava to authorize the Administrator to submit a full application for a Blandin Foundation Small Communities & Rural Placemaking Grant to update the community's comprehensive plan, and to accept and expend said funds for these eligible and specific purposes if awarded.

Supported by Towner.

Discussion. Approve/Reject/Table.

The Administrator noted that it is a good time to update this plan, especially in light of the current considerations for the future, which may not be currently reflected in the existing comprehensive plan.

The anticipated timeline for expending a potential appropriation will be no earlier than next year.

Motion carried unanimously.

D. Consider Establishing Vehicle Parking Leases on City-Held Land East of Martin Hughes School for Commercial Vehicles.

Existing City Ordinance § 72.02 restricts the parking of commercially licensed vehicles in excess of one-half ton, and combination vehicles (truck-trailer), on city streets and other certain municipally-owned or other public properties.

The city has received several inquiries as to where these (types of) vehicles may be parked in conformance with existing ordinances, with no clear solution for this ongoing situation available to owners and operators of these vehicles.

Staff has identified a currently available, yet unused (or under-used), area to the east of the former Martin Hughes School as a potential site to establish an acceptable and approved parking area for these types of vehicles.

This unpaved but flat area could be configured to allow the leasing of areas of land sufficient for the parking of commercial vehicles to individual parties.

Staff suggests the City consider issuing leases (through BEDA) on a month-to-month basis to accommodate the parking of commercial vehicles in this area for a lease rate of \$75.00 per month.

Recommendation is to approve establishing a commercial vehicle parking area in this location and to offer and construct land leases on a month-to-month basis with interested parties.

Motion by Hadrava to approve establishing a commercial vehicle parking area in the area immediately to the east of the former Martin Hughes School, and to offer and construct land leases on a month-to-month basis with interested parties to accommodate commercial vehicle parking.

Supported by Towner.

Discussion. Approve/Reject/Table.

It was noted that this matter is primarily for overnight parking, and that the City should be as accommodating as reasonable to community residents and members.

Currently there are no available city owned or managed lands or areas offering this.

This information will be passed along to law enforcement for communication with the community.

Motion carried unanimously.

E. Resolution 24-18 for the City to Accept Donations from Several Parties to the Buhl Public Library.

The City has received two (2) offers of donations related to operations at the Buhl Public Library.

The Arrowhead Library System has offered a donation of \$1,113.00 to the City as a financial contribution toward the library's Best Seller Plan and Crossover Reimbursement needs for 2024.

Miscellaneous cash donations of \$16.50 to the City were received as financial contributions toward the 2024 Library operations.

Recommendation is for the City to accept these donations.

Motion by Loeffler to authorize the City to accept donations from the Arrowhead Library System in the amount of \$1,113.00 and miscellaneous cash donations in the amount of \$16.50, for 2024 Buhl Public Library program initiatives, to execute Resolution 24-18 concerning the same, and to acknowledge these donations with appreciation.

Supported by Towner.

Discussion. Approve/Reject/Table.

Thanks were extended to all donors -

**Roll call vote: Hadrava – Aye, Kealy – Absent, Loeffler – Aye, Towner – Aye;
Carter – Aye.**

Motion carried unanimously.

F. Consider Formal Creation of Internal Audit Committee.

At the February 15, 2024 City Council Working Session, the question was raised regarding whether there should be an internal audit committee to review all bills, invoices, and/or checks at times other than at a City Council meeting –

Other sets of eyes on these matters reflects good business acumen -

Existing city policy recognizes that the municipality is too small to realize a clear segregation of duties amongst city administrative staff – and the policy allows for city council members to meet with staff periodically to review bank activity and any other relevant accounting activities, and compile summary briefs on these findings.

Although there does not appear to be a clear need for additional formal audit review, this oversight is welcome as it provides additional sets of eyes on all disbursements originating on procured items and City spending.

Staff supports and is firm that checks-and-balances are welcome and encouraged to provide residents and the public with greater transparency in all business affairs.

Recommendation is to consider formally creating an Internal Audit Committee comprised of members of the City Council; specifics can be established later.

Motion by Towner to formally create an Internal Audit Committee comprised of members of the City Council to periodically review all business and financial activities of the City, and to direct Staff to create the scope of duties of this committee.

Supported by Loeffler.

Discussion. Approve/Reject/Table.

It was noted that although there have been efforts related to this in the past, it has never been formally recognized by the City –

In recognition of the absence of Councilor Kealy, and to allow Councilor Kealy to participate in these discussions, it was recommended to table this action until a later City Council meeting.

Motion rescinded; item tabled until next City Council meeting.

G. Approve Hiring of 2024 Summer Street Laborers.

The City has previously publicly posted and published advertisements for 2024 City of Buhl Summer Street Laborers.

Posting and eligibility for these positions will remain open until **May 17, 2024.**

Two (2) applications have been received to date for summer street laborers; both of these applicants have fulfilled pre-employment paperwork requirements.

Both of these applicants have previously been employed by the City as Summer Street Laborers in the past.

Recommendation is to approve the hiring of the applicants as 2024 Summer Street Laborers.

Motion by Loeffler to approve the hiring of Aiden Cappo and Nathaniel Pederson as 2024 Summer Street Laborers contingent upon the successful completion of all employment and pre-employment requirements.

Supported by Hadrava.

Discussion. Approve/Reject/Table.

It was noted that four (4) individuals are desired for this working group.

Motion carried unanimously.

H. Approve Hiring of 2024 Summer Beach Attendants.

The City has previously publicly posted and published advertisements for 2024 City of Buhl Public Beach at Stubler Pit Attendants.

Posting and eligibility for these positions will remain open until sufficient personnel are sourced to cover the needs of the City.

Two (2) applications have been received to date for “summer help” without specifying consideration for Beach Attendant or any other identified positions (e.g. “Summer Street Laborer”).

Both of these applicants have fulfilled pre-employment paperwork requirements.

One applicant has previously been employed by the City as summer help; the other applicant is a first-time applicant.

Recommendation is to determine the interest of these applicants as Beach Attendants, and to approve the hiring of the applicants as 2024 Beach Attendants if interested.

Motion by Loeffler to approve the hiring of Caitlyn Pederson and Luis Benkusky as 2024 Beach Attendants contingent upon determining the applicants' interest and the successful completion of all employment and pre-employment requirements.

Supported by Hadrava.

Discussion. Approve/Reject/Table.

Motion carried unanimously.

I. Update on Municipal Sanitary Wastewater Inflow and Infiltration (I & I) Investigation Plans.

The City has been diligently working with the Central Iron Range Sanitary Sewer District (CIRSSD), the City's wastewater treatment facility operator, to address the impacts the City of Buhl has, or may have, on this facility.

Earlier in 2024, Norm Miranda, the Executive Director of the CIRSSD, addressed the City Council and presented pertinent information regarding these impacts, with a focus toward Inflow and Infiltration (I & I) impacts CIRSSD has been noticing from Buhl's participation in this facility, both pre- and post- infrastructure improvement.

These items are extremely important, and worthy of further study.

The City intends to continue and expand its investigative program into I & I impacts throughout 2024, including:

- 1) Conduct smoke testing of sanitary and storm sewers in the city to evaluate the overall condition of these wastewater collection system(s);
- 2) Conduct flow testing of sewersheds in the city to attempt to determine the impact of precipitation events on the overall flowrate of storm sewerage in the Buhl wastewater collection system(s);
- 3) Consider televising all wastewater collection piping to establish a current baseline of the condition of collection piping and other collection structures (manholes, catch basins, etc.) throughout the city;
- 4) Continue to evaluate and analyze available historical city information regarding its participation in, and impacts on, the CIRSSD facility; and

- 5) Continue to seek funding opportunities to support and assist with completing these initiatives.

Informational only.

The Administrator further elaborated on the above five (5) bullet points –

It was noted again that excess water which is sent to the CIRSSD facility which may not need to be delivered there is costing the City money -

Further, when smoke testing occurs, all residents are encouraged to witness these activities and report to the City any traces of smoke which may be observed -

J. Update on 2023 Municipal Financial Audit.

Sterle & Company, LTD, the City's Independent Auditor, has completed the on-site component of their independent audit of the financial statements of the City of Buhl for the fiscal year period ending December 31, 2023.

Subsequently, the remaining initiatives regarding this audit are continuing to be addressed at Sterle & Company, LTD's offices, and are anticipated to be completed by June 2024.

When complete, Bonnie Sterle will present the findings of this audit period and answer any questions that may arise with the City Council at a future City Council meeting. At that time, the City Council should be prepared to act on accepting this Independent Auditor's Report and Supplemental Information for fiscal year 2023.

Currently, this presentation to the City Council on the financial performance of the City and the findings included in the Independent Auditor's Report, Financial Statements, and Supplemental Information for the fiscal year period ending December 31, 2023, is scheduled for June 11, 2024.

Informational only.

K. Notice of St. Louis County Household Hazardous Waste Collection 2024 Schedule.

St. Louis County has released their 2024 Household Hazardous Waste (HHW) Community Collection Schedule.

This schedule will be posted in City Hall for public consumption.

The Hibbing Transfer Station and the Virginia Regional Landfill accepts HHW from county residents Tuesdays (Virginia only) and/or Saturdays (Virginia and Hibbing) from 8:00 a.m. – 1:00 p.m. throughout the year.

Collection events at thirteen (13) other County Solid Waste sites are scheduled between May and September.

Business Hazardous Waste Collections for Very Small Quantity Generator (VSQG) businesses are scheduled in Hibbing on July 11, and Virginia on August 14.

The St. Louis County Environmental Services Department flyer on these collections was attached for reference.

Informational only.

The information flyer will be posted on the City website for public consumption.

The Administrator stressed to distinguish between household hazardous waste and business hazardous waste, and how that is administered under the VSQG program -

L. De-Briefing on and Outcome of Local Board of Appeals and Equalization Meeting of April 23, 2024.

Buhl's Local Board of Appeal and Equalization (LBAE) held an Open Book session jointly with representatives of the St. Louis County Assessor's office on April 23, 2024, at 10:00 a.m. at the Buhl/Kinney Senior Center, located at 302 Frantz Street.

Property owners were invited to discuss or appeal their valuation(s) and/or classification(s) of owned lands and/or buildings at this open book session.

The St. Louis County Assessor's office indicated that in 2023 there were eleven (11) arms-length sales transactions conveying property from one owner to another, which created the basis of the valuation analysis.

They also explained that, by state law, the Median Ratio (Estimated Market Values divided by Sales Prices) for a taxing jurisdiction (the City of Buhl) must be between 90% - 105%. Buhl's Median Ratio was below that prescribed acceptable window.

As a result, the St. Louis County Assessor's office applied a 6% upward adjustment in valuation for all buildings and land values city-wide; this adjustment brought the Median Ratio to 95.1% for 2024.

Four (4) individuals appeared in-person at the LBAE meeting; and one (1) individual had previously requested an in-person valuation; all of these were on the table for consideration of changes recommended to valuations and/or classifications.

Of the appeals, it was ultimately recommended by the County Assessor that four (4) appeals receive no change in the valuation or classification, and one (1) appeal was recommended for a reduction in its valuation, due to new information regarding specifics of that building construction being received by the County Assessor.

All recommendations were accepted and acted on by the LBAE. The Record of Appeals from that meeting was provided with this information.

Informational only.

The Administrator elaborated on many of the points of this exercise -

- And noted that this concludes the business of the LBAE for 2024.

M. Reminder of 2024 Election Candidacy Filing Period.

As a reminder, 2024 is an election year including the national Presidential election.

In Buhl, two (2) City Council seats and one (1) mayoral seat are up for election and will be on the ballot.

The municipal general election shall be held on Tuesday November 5, 2024.

The primary election will be held on Tuesday, August 13, 2024; there will be a local municipal primary election conducted at that same time.

In order to be considered for candidacy of any office, individuals must file with the City during a prescribed filing period.

The **filing period** for candidacy for a Buhl municipal office (both councilor and mayor) will open on **Tuesday, May 21, 2024**, will remain open for a two-week (2-week) period, and will close at 5:00 p.m. on **Tuesday, June 4, 2024**.

PLEASE NOTE that this is the **only period available for candidate filing**.

Filing for election must be done through City staff at City Hall.

Anyone interested in filing for municipal public office will need to obtain an Affidavit Of Candidacy from City Hall during regular City Hall business hours (Monday – Thursday 7:00 a.m. – 4:00 p.m.; Friday 7:00 a.m. – 11:00 a.m.), complete this, and file this with the City Clerk prior to the expiration of the filing period.

Any questions should be directed to City staff during normal business hours.

Informational only.

N. Other Business.

The city emergency siren on Forest Street, and its status, was brought up –

The Administrator noted that most alerts now are managed through cellular phone networks, however will double-back and continue to attempt to identify the status of this device.

O. Councilor's Comments.

Councilor Loeffler –

Noted that the next community event to be offered will be on May 19 from 2:00 p.m. – 4:00 p.m. at the Buhl/Kinney Senior Center, and, in the spirit of celebrating Asian/Pacific Islander Heritage Month, will offer an opportunity to make Lumpia (egg rolls) and Won-Tons -

Sign-up is required; do this through the website -

Councilor Towner –

Noted that the Recreation Board's spring clean-up event at Burton Park, the beach, the campground, and the disc golf course, on Sunday, May 5 at 1:00 p.m. went quite well, and thanked the numerous people who helped –

Observations were that there was not a lot of new refuse noticed or collected; most of it appeared to be older; and in general the amount of material seems to have been less than in the past – Maybe things are getting better!

Thanked city Public Works staff for their assistance in collecting the bags of collected items –

Noted that there will be a Recreation Board meeting on Tuesday, May 13, 2024 at 6 :00 p.m. – the 2024 4th of July events will be on the agenda -

P. Mayor's Comments.

Noted that wood ticks are out with a vengeance – and that most all of them allegedly carry disease now - watch out for them!

Highlighted that the fishing opener is upon us, and strongly suggested to – TAKE A KID FISHING!

It's a great thing to teach them that they will carry with them all their lives!

9. **ADJOURN:**

Motion by Loeffler to adjourn.

Supported by Towner.

Motion carried Unanimously and the meeting was adjourned at 7:55 p.m.



Brandin Carter, Mayor

ATTEST:



Tony Jeffries, City Clerk