

Minutes
Silver Lake City Council
Quarterly Meeting
6:30pm, October 6, 2025
Silver Lake Auditorium

Mayor Bebo called the meeting to order at 6:30pm.

Members Present: Mayor Bruce Bebo, Councilor Roxanne Yurek, Councilor Joanna Jacobs, Councilor Josh Mason, Councilor Gehring

Members Absent: None

Staff Present: Diane Pedersen

Others Present: Sam Fink, Randy Redman, Scott Rech, Mike Hauan, Jeremy Anderson

Motion by Councilor Mason second by Councilor Jacobs to approve the agenda. Vote for: Unanimous. Motion carried.

Consent Agenda:

1. Approve minutes from September 15, 2025, Regular Meeting
2. Approve minutes from September 22, 2025, Special Meeting
3. Approve Payroll 19 & 20 and Quarter #3
4. Approve Claims

Motion by Councilor Jacobs second by Councilor Yurek to approve the consent agenda. Vote for: Unanimous. Motion carried.

Public Comment – None

Old Business:

1. City Lots – Randy Redman & Scott Rech
 - a. Presented Scott's request of the city regarding the purchase of the city lots.
 - i. Waive WAC & SAC fees (\$2500 for each connection)
 - ii. Allow for one four-inch sanitary sewer connection for the two buildings rather than a two inch one for each building.

Motion by Councilor Jacobs second by Councilor Mason to approve waiving the WAC & SAC fees for the water and sewer connections from the city lot properties at 117 and 125 Main Street W. Vote for: Unanimous. Motion carried.

2. SEH
 - a. Project Status Update
 - i. October 1 Fergus Power Pump agitated the ponds
 - ii. McCarthy well back out today, 10/6/25
 - iii. October 9 paving unpaved areas
 - iv. R&R will be working on wastewater items
 - b. Request to Approve Change Order #3 – Lift Station Pump Repairs/Replacements by Quality Flow
 - i. Proposed scope:
 1. Replace Main Life Station Pump No. 1 for \$21,483
 2. Repair Main Lift Station Pump No. 2 for \$8,845
 - a. Rural Development had to recommend the more affordable option, so the repair of the pump was recommended over the replacement at a cost of \$21,483.
 3. Replace both pumps at the Century Lane Lift Station for \$18,785
 - a. Total cost \$47,113 (all grant eligible)
 - b. Rural Development approved the change order, and the city may proceed during the government shutdown pending council approval.
 4. MN Pump works quotes provided for comparison
 - a. Bottom line for same scope, comparable pumps came in at \$57,385
 - i. Pump #1 - \$26,000 to replace

- ii. Pump #2 - \$13,000 to repair
- iii. Century Lane - \$18,000 to replace
- b. Not grant eligible if MN Pump Works did the work

Motion by Councilor Gehring second by Councilor Yurek to approve change order #3. Vote for: Unanimous. Motion carried.

- c. Grant Eligible Funding Status update
- d. DNR Grant Application Assistance
 - i. Assistance was sought from SEH to develop applications for tree replacement grants offered through the DNR.
 - 1. Community Tree Planting Grant
 - a. About \$5M grant dollars available state-wide
 - b. No match is preferred
 - c. Applications are due October 27
 - 2. ReLeaf Community Forestry Grant
 - a. About \$7M grant dollars available state-wide
 - b. No match is preferred
 - c. Applications are due November 11
 - 3. LMC Grant Navigator Grant
 - a. LMC Offers up to \$10,000 per city to cover grant writing assistance for “environmental change projects” for small communities (less than 4,000 residents)
 - b. This grant has been awarded to other communities for assistance with the DNR grants.
 - i. Resolution 25-24 Authorizing Application for Grant Navigation Support for the City

Motion by Councilor Gehring second by Councilor Yurek to approve Resolution 25-24 Authorizing Application for Grant Navigation Support for the City. Vote for: Unanimous. Motion carried.

- e. SEH Amendment to the General Engineering Supplemental Letter Agreement
 - i. Additional fee of \$5,000 is to assist with the DNR applications.

Motion by Councilor Gehring second by Councilor Mason to support the amended General Engineering Supplemental Letter Agreement increase by \$5,000 for a total of \$7,000. Vote for: Unanimous. Motion carried.

- f. Other

3. Administration

- a. Consider Zoning Ordinance Amendment to include Cannabis
 - i. Section 2 General Regulations – Page 14
 - 1. 2.19 Cannabis and Hemp Regulations
 - a. Set boundaries of 500 feet from school, church, daycare, residential treatment facility, public park, playground or athletic field.

Motion by Councilor Yurek second by Councilor Mason to approve setting the boundary 500 feet from schools, church, daycare, residential treatment facility, public park, playground or athletic field. Vote for: Unanimous. Motion carried.

- b. Establishes hours of operation for cannabis businesses
- c. Temporary cannabis events conditionally permitted in the B-2 Highway Business or M-1 Manufacturing District.
- ii. Section 5.00 AG – Agricultural District
 - 1. 5.03 Conditional Uses – Page 33
 - a. Adds Indoor Cannabis and Hemp Cultivation as a conditional use
 - 2. Section 9.00 – B-2 Highway Business District
 - a. 9.03 Conditional Uses – Page 41
 - i. Adds Temporary Cannabis Events as a conditional use
 - 3. Section 10.00 – Manufacturing District
 - a. 10.03 Conditional Uses – Page 43
 - i. Adds Cannabis Manufacturing and Temporary Cannabis Events as a conditional use
 - 4. Section 22.00 – Definitions – Page 81

b. RevTrak Fees

- i. When RevTrak was set up in 2018, the user fee was set at 4.37%. The city is billed 4.19% by RevTrak, leaving .18% as income to the city.
- ii. The city can choose to set the user fee to any rate they wish, knowing that any rate below 4.19% will incur additional expenses for the city

Motion by Councilor Gehring second by Councilor Mason to approve setting the RevTrak credit card fee charged to residents to 4.19% which is the fee charged to the city. Vote for: Unanimous. Motion carried.

c. Proposed 2026 Fee Schedule

- i. I need to work with SafeBuilt to ensure the Building and Zoning updated rates are correct.
- ii. Increase Water Usage Charge per 1,000 gallons to \$12.50 from \$12.00. This will put the city at the target rate provided by Rural Development.
- iii. Increase the Storm Water Utility Basic System Rate to \$15 from \$11. This will get the city closer to the target rate of \$22.71 provided by Rural Development.
- iv. Ambulance Service
 1. Increase Base Charge (Accident Response) rate to \$1300. Automobile insurance tends to pay at the rate charged.
 2. Increase Advanced Life Support (ALS) Intercept to \$1500.
 - a. Allina bills \$200 for each run
 - b. Ridgeview bills \$400 for each run

v. Pool

1. Current family rate is \$80 for the first individual plus \$40 for each additional individual.
 - a. Family of 3 is \$120 (\$160-\$40 donated from the Silver Lake Civics Association)
 - b. Family of 5 is \$200 (\$120 for the first 3 + \$40 each for the additional 2)
2. Proposed family rate is \$240 for a family of 5 + \$40 for each additional individual. If the Civics again donate \$40 per family pass, the cost will remain the same at \$200.
3. Increase pool rental from \$150 to \$175 to include an additional lifeguard.

d. Consider proposed salary rates for 2026

- i. A 2.50% COLA is proposed

e. 2026 Proposed Budget Review

- i. Changes since the proposed tax levy
 1. Health Insurance was projected to have a 10% increase but came in at 24.03%. This is an increase of about \$13,862 for the city.
 2. Wages decreased by about \$6,900 due to the resignation of the deputy clerk and budgeting for a new hire at Level 14 Step 2 rather than Level 14 Step 9+>
 3. Increased the Auditorium transfer rate from \$7,000 to \$12,000 in anticipation of needed repairs.
 4. Ambulance costs decreased slightly due to the change in the deputy clerk wage.
 5. Fire Department did not have any changes.
 6. Water, Sewer and Storm Sewer did not change.
 7. MLS expenses increased by \$24,202 as I missed the health insurance and HSA contribution in the preliminary budget. The increase is due to the change in MLS Management.

New Business:

1. SafeBuilt quarterly report
2. Request for Action to approve a \$4/hour increase for Clerk Pedersen during the transition/training of the deputy clerk position.

Motion by Councilor Yurek second by Councilor Mason to approve the \$4/hour increase from \$29.79 to \$33.79 for Clerk Pedersen beginning September 29, 2025, through December 31, 2025, during the transition/training of the new deputy clerk with comp time to accrue up to 40 hours. Vote for: Unanimous. Motion carried.

3. Reviewed the fire department letter of resignation submitted by Ryan Hoffmann.

Open Discussion:

1. Grant update
 - a. Cert Seed Grant
 - i. Completed using the information gained from the energy audit on the MLS and recommendations of the MLS Manager.
 - ii. We should know if our grant was accepted sometime in December.
 - b. Energy Efficiency and Conservation Strategies Grant
 - i. The city received \$5,000 towards conducting up to 10 energy audits on city owned buildings.
 - ii. Energy audits need to be scheduled for city buildings and receipts submitted for reimbursement.
 - c. ReLeaf Community Forrest Grant
 - i. The deadline for this grant is November 11.
 - ii. The goal of the grant is to obtain funds to replant and water the 51 trees removed as a result of the infrastructure project.
 - iii. Sam Fink from SEH is working with the city on this grant application.
 - iv. Timeline
 1. October 27/November 11 – Application deadline
 2. February 6, 2026 – Grant Recipients announced
 3. June 30, 2027 – Project must be completed
 - d. Solar on Public Buildings Grant Program
 - i. The building selected for this grant is the Aquatic Center located at 217 Lane Ave NW.
 1. A City representative will need to meet with DeLoitte; see p.8 RFP
 2. The City will need to open a GrantVantage account if the City already does not have one. This is the platform the State uses for grant applications. Do this sooner than later.
 3. The City Mayor will need to sign a Letter of Authority to apply. I have drafted a letter for you.
 4. Please see attached. Feel Free to edit as needed.
 5. The City will need to decide on the Request for Proposal (RFP) Process. There are two routes you can use to receive project proposals. You can access the State contract and receive state pricing, or you can solicit proposals through a list of solar developers CERTs has vetted for this type of project. The RFP that is attached would be used if you go through the CERTs RFP process.
 6. A City representative will need to reach out to Scott Johnson, Xcel Community Relations Manager, and let him know the City is planning on applying for the Solar on Public Buildings Grant program and verify if he is the correct person to send the attached Memorandum of Understanding (MOU) to. I will verify this, but I believe the solar developer will fill out the MOU. See attached info sheet and MOU.

Motion by Councilor Yurek seconded by Councilor Mason to adjourn this quarterly meeting of the Silver Lake City Council. Vote for: unanimous. Motion carried.

Meeting Adjourned 8:58 pm

Diane E. Pedersen, Clerk/Treasurer

Seal of the City: