BIG LAKE CITY COUNCIL
WORKSHOP MINUTES

MAY 20, 2026

1. CALL TO ORDER

Mayor Knier called the meeting to order at 5:00 p.m.

2. ROLL CALL

Council Members present: Ken Geroux, Paul Knier, Kim Noding, and Paul Seefeld. Council Member absent: Ken Halverson. Also present: City Administrator Hanna Klimmek, City Clerk Gina Wolbeck, Finance Director Deb Wegeleben, Community Development Director Marie Popp, City Engineer Layne Otteson, Police Chief Sam Olson, Liquor Store Manager Greg Zurbey, Streets/Parks/Fleet Superintendent Norm Michels, Water/Wastewater Superintendent Dan Childs, and Big Lake Student Liaison Adelyn Gosewisch.

3. PROPOSED AGENDA

Council Member Geroux motioned to adopt the proposed Agenda as presented. Seconded by Council Member Noding, unanimous ayes, Agenda adopted.

4. BUSINESS

4A. Discuss Smith Trust Assessment and Easement Recommendations

Hanna Klimmek presented a request from the Smith Trust for the Minnesota Avenue improvements, including grading, drainage, and installation of street, utility, and lighting infrastructure, with project costs to be assessed to the benefitting property through the City's 429 Assessment process. Because the project will not be financed through debt issuance, Council discussion is needed to establish the assessment interest rate. The Finance Committee recommended repayment upon sale of the property or after a ten-year deferral period, whichever occurs first, with a 4.00% interest rate. Deb Wegeleben reviewed annual interest rates and Council's option to defer both principal and interest, or to require annual interest payments.

Mayor Knier stated he is not a fan of giving an additional 5 years to pay back the assessment. Knier also noted if this land sells, the entire assessment amount would be due at the time of sale. Knier discussed the finance committee met with Steve Smith but there wasn't discussion about interest being due each year. Knier stated he prefers to have the repayment align with state statute which only defers the principal, rather than having principal and interest deferred throughout the term of the assessment. Wegeleben reviewed if we follow statute, interest would be added to his property taxes each year. Knier asked if we decide to defer the interest, would there be interest charged on interest. Wegeleben explained when interest is deferred, it is like they make a payment so overall he is still only going to pay $93,000 interest on the $395,000 so we wouldn't be earning interest on interest. Council Member Geroux recommended the agreement be presented as written, with interest payments made annually. Geroux noted if Smith requests it, we can always amend the agreement. Geroux also stated a 10-year term is 10 years, and we shouldn't extend another 5 years. Wegeleben noted the goal is that the property will be sold before the 10-year is up.

Council Member Noding asked if the agreement is drafted per state statute. Wegeleben responded the City Attorney has said anytime green acres are brought in, it automatically defers the principal, but the interest is not deferred, it is added to the property taxes.

The consensus of the Council was to draft the Smith Trust Assessment Agreement at a 4.00% interest rate and according to state statute. Klimmek clarified staff will be sending the documents to Steve Smith and if he has any questions or has a counter, the finance committee will review any requested changes. Council agreed the finance committee will make the determination on any counter offers and decide final terms, which will be brought forward for Council approval later this year.

Staff also presented a recommendation for a permanent easement related to regional stormwater ponding needed to support the new Public Safety Facility, the Minnesota Avenue improvements, and future area development. The Finance/Public Building Planning Committee recommended offering the Smith Trust $40,000 for a 2.5-acre permanent easement, which the Smith Trust has accepted.

Council Member Seefeld discussed the permanent easement site should satisfy ponding for the entire area. Council Member Geroux responded that is not necessarily true and we don't know what will go in there. The City Engineer has designed it in anticipation that this will take care of it, but we need to strongly say we can't guarantee this as we don't know what projects will go in there. Klimmek responded that has been made very clear to the Smith Trust. Otteson reviewed we designed the area to accommodate 80% impervious. If it goes higher than that, we will need to work through any changes in the future.

The consensus of the Council was to move forward with the recommendation of the Finance/Public Building Planning Committee to offer the Smith Trust $40,000 for a 2.5-acre permanent easement.

4B. Sherburne County Organics Drop-off Program Discussion

Norm Michels presented information on Sherburne County's proposed organics drop-off program, including program administration, potential site impacts, benefits, and operational considerations. Sherburne County is proposing to place an organics recycling dumpster in Big Lake for use by enrolled participants and worked with staff on a potential location near the Yard Waste Site. Michels noted the program would be fully managed by Sherburne County, but would involve placing a dumpster on city property and will bring additional activity to the Public Works Facility/Yard Waste Site.

Council Member Noding asked if there will be a cost for residents to participate in the program. Michels responded there won't be a cost, but the drop-off site will only be able to be utilized by people who have signed up with the County.

Council discussed the Organics Drop-off Program proposal and provided direction to move forward with the city participating in the program.

4C. Discuss Amendment to Farmers Market Vendor Fee

Deb Wegeleben reviewed the 2026 Farmers Market vendor fee changes approved in December 2025 and noted vendor concerns regarding the elimination of the daily fee option, as well as outdated marketing materials that did not reflect the change. After comparing fee structures in surrounding communities, staff recommended restoring a $10 daily vendor fee while maintaining the existing seasonal and nonprofit rates. Wegeleben also asked for Council direction to allow the fee to be implemented now, and to bring back a change to the 2027 fee schedule in December.

Council discussed the proposed amendment and directed staff to immediately add a $10 daily fee option to the Farmers Market Vendor Fee, and to include the change in the 2027 fee schedule.

5. OTHER – no other.

6. ADJOURN

Council Member Seefeld motioned to adjourn at 5:14 p.m. Seconded by Council Member Noding, unanimous ayes, motion carried.

Gina Wolbeck
City Clerk

06.17.26
Date Approved by Council