



## CITY COUNCIL MEETING AGENDA

### Tuesday, September 23<sup>rd</sup>, 2025 @ 6:00 PM

**Mayor:** Andrew Rudlang      **City Clerk:** Cassandra Delougherty  
**City Council:**      **City Attorney:** Vacant  
Jerimey Flategraff (Mayor Pro-Tem)  
Roman Siltman  
Ryan Barnett  
Jory Carlson

City of Jenkins  
33861 Cottage Avenue  
Jenkins, MN 56474  
(218) 568-4637

Join Zoom Meeting  
<https://zoom.us/join>  
Meeting ID: 353 029 2895  
Password: 56474

Dial by location: (312) 626-6799 (US Chicago)

**NOTE:** Printed materials relating to agenda items are available for public inspection in a three-ring binder on table by Council Chamber entrance.

1. Call to Order – Pledge of Allegiance
2. Roll Call
3. Agenda Additions/Deletions
4. Consent Agenda
  - a. Agenda
  - b. Minutes of the September 8<sup>th</sup>, 2025 meeting
  - c. Pre-written check #'s 30265 -30276; **\$11,593.49**
  - d. Proposed check #'s 30277-30287 & EFTs; **\$10,135.78****TOTAL EXPENSES = \$21,729.27**

*Note: This is a time to address the City Council regarding items that are not on the agenda. Please wait for the Mayor to acknowledge you. State your name, address and topic you wish to discuss for the record. No response or action will be immediately taken to citizen request other than to refer the matter to City staff for further research and a written report back to the City Council.*

***PLEASE NOTE THAT PUBLIC COMMENT MAY BE LIMITED TO 3 MINUTES PER PERSON.***

5. New Business
  - a. **Closed Session pursuant to Minn. Stat. Sec. 13D.05, subd. 3(b) due to threatened litigation by Hometown Buds, LLC in regard to cannabis retail registration.** At this time, the Council will move in to closed session. During this time, the public will be asked to leave the Council Chambers until the City Clerk informs the public that the closed session is complete. The regular City Council Meeting will then be called back to order to conduct the remainder of the regular business.
  - b. Public Agenda Request: Joint request provided by Cabin Fever CO. and Hometown Buds, LLC- Discuss current Cannabis Ordinance and propose amendment
    - i. Agenda Request Form
    - ii. Letter to Council from owners of Cabin Fever Co. & Hometown Buds LLC
    - iii. Proposed amendments
6. Unfinished Business
  - a. Resolution 25-09-321 Approving Preliminary Tax Levy
  - b. Resolution 25-09-322 Supporting Sourcewell Match & Impact Funding Grants
7. Reports of Officers, Committees, Staff
  - a. Mayor's Report
  - b. Clerk's Report
8. Miscellaneous/Communication
9. Adjournment

Agenda Item: 4b  
11pm

Monday, September 8<sup>th</sup>, 2025

## City Council Meeting

### Meeting minutes-DRAFT

#### **Call to Order – Pledge of Allegiance**

Mayor Rudlang called the meeting to order shortly after 6:00 PM. All present recited the Pledge of Allegiance.

#### **Roll Call**

Present: Mayor Andrew Rudlang; Council Members Carlson, Flategraff (Mayor Pro-Tem), and Siltman Absent: Council Member Barnett Staff Present: Clerk-Treasurer Delougherty

#### **Agenda Additions/Deletions**

There were some additions to the agenda, with version 2 being distributed prior to the meeting. Councilmember Flategraff noted he wanted to discuss something related to the Diamond Club agreement when that agenda item was reached. Clerk Delougherty clarified that there was an error in processing the final payout for former Clerk Okerman regarding PERA eligibility, explaining that some of the payout was not PERA eligible.

#### **Consent Agenda**

*Motion by Councilmember Flategraff, seconded by Mayor Rudlang, to approve the consent agenda. Motion carried unanimously.*

#### **Open Forum**

Drake Beyer from 10728 South Road addressed the Council regarding the cannabis ordinance. He stated that the voting on July 22nd for a chronological application process should have been reviewed further, noting the Office of Cannabis Management (OCM) recognized this as a valid selection process. He expressed concern that the Council had changed direction to a lottery system without clearly defining how the lottery would work. Mr. Beyer also questioned why the vote occurred when only four Council members were present, arguing that all five members should have been present for such an important decision. He emphasized that he wants to establish his business in Jenkins but needs a decision soon, as other cities have been accommodating and only have 1-3 licenses available.

Mayor Rudlang responded that the Council would be discussing the city attorney position later in the meeting, noting they are working to find someone to specifically help with the cannabis ordinance to move the process forward as quickly as possible.

#### **New Business**

##### **4M Fund Options**

Clerk Delougherty presented a report on fund options for the city's investments. She explained she had spoken with Laura from PMA regarding the difference between 4M and 4MP (4M Plus) funds. The current rate for the term series is 4.23% for 4M and

4.254% for 4MP. The only difference between the two is that with 4MP, funds cannot be withdrawn during the first 14 days after deposit.

Councilmember Flategraff noted that the city will need some liquid funds for the upcoming Rosewood project but thought it would be advantageous to earn higher interest on other funds. He pointed out that the interest rates are higher than the city's bond rate of 3.975%.

Council members discussed how to manage the city's funds to maximize interest earnings while maintaining necessary liquidity. There was consensus to use the 4MP fund for better interest rates where appropriate, with staff authorized to manage the funds accordingly. For CDs, it was agreed that staff should consult with the Finance Task Force members before proceeding.

#### **Approval Of Lawful Gambling Premise Permit, Resolution #25-09-318**

Clerk Delougherty presented an application from Pine River Area Foundation for a premises permit for lawful gambling at Snarky Loon Brewing Company LLC. She noted that the application needed a correction, as there had been a change in the organization from Northern Lakes Lightning to Pine River Area Foundation.

***Motion by Councilmember Flategraff, seconded by Councilmember Carlson, to pass Resolution 25-09-318 with the organization corrected to Pine River Area Foundation.***

***Motion carried unanimously.***

#### **Unfinished Business**

##### **Aspenwood Dr Rezone**

Clerk Delougherty explained that in researching the rezone approval process, she discovered that rezoning must be done by ordinance amendment since it changes the official map of the city. She confirmed that all required public notices and procedures had been followed, but the action needed to be formalized as an ordinance amendment with a resolution approving summary publication.

***Motion by Councilmember Carlson, seconded by Councilmember Siltman, to approve Ordinance Amendment O-25-44. Motion carried unanimously.***

***Motion by Councilmember Carlson, seconded by Councilmember Siltman, to approve Resolution #25-09-317 approving summary publication. Motion carried unanimously.***

##### **City Clerk Resignation & New City Clerk Appointment**

Clerk Delougherty presented a separation agreement and a draft resolution memorializing the formal motions made in the August 26<sup>th</sup>, 2025 City Council Meeting accepting former Clerk-Treasurer/Planning & Zoning Administrator Krista Okerman's resignation and appointing Delougherty to those roles, explaining that these documents would provide a clearer record of Council's intent for auditors, regulators, and future councils by ensuring all actions are formally codified in a single document.

***Motion by Councilmember Flategraff, seconded by Councilmember Carlson, to approve the separation agreement. Motion carried unanimously.***

*Motion by Councilmember Carlson, seconded by Councilmember Siltman, to approve Resolution #25-09-316. Motion carried unanimously.*

**Resignation of City Attorney**

Clerk Delougherty reported that she had reached out to a number of attorneys and law firms based on recommendations from other cities. She informed the Council that two firms responded that they would be reviewing the city's RFP. She also presented an offer from Flaherty and Hood (Pequot Lakes' city attorney) to provide assistance specifically with the cannabis ordinance at a rate of \$350 per hour.

The Council discussed the need for legal representation, particularly to address the cannabis ordinance and potential litigation. They agreed that while the rate was high compared to their previous attorney, it was important to have legal counsel to move forward with the cannabis application process.

*Motion by Councilmember Flategraff, seconded by Councilmember Carlson, to approve legal services at \$350 per hour specifically for the cannabis ordinance, and to request a virtual meeting with the attorney. Motion carried unanimously.*

The Council directed Clerk Delougherty to coordinate with the attorney to schedule a possible Zoom meeting to discuss options for the cannabis ordinance.

**Reports of Officers, Committees, Staff**

**Mayor's Report**

Mayor Rudlang had no formal report.

**Road's & Finance Discussion Report**

The Council discussed renaming the Roads and Finance Committee to a task force to better reflect its advisory nature. Clerk Delougherty explained that a committee meeting had been canceled because it hadn't been properly posted, and instead she met with Councilmembers Siltman and Flategraff for an informal roads and finance discussion about the city's special assessment policy.

Councilmember Siltman presented recommendations for the special assessment policy and priority roads. The proposal categorized roads into three types:

Roads not in city inventory - 0% city/100% assessed to landowners

Dead end roads - 20% city/80% assessed to residents

Main connecting roads - 100% city/0% assessed

For maintenance and reclamation projects, the recommendation was for the city to cover 100% of costs regardless of road type.

The Council discussed specific roads including Norway and Ultra Flyte Road, with consensus to classify Norway as a dead-end road (20% city/80% assessed) and to split Ultra Flyte into sections, with the northern dead-end portion also at 20% city/80% assessed.

Councilmember Siltman noted that implementing this assessment policy would require increasing the road budget, suggesting perhaps \$100,000 per year to allow for work on at



least one road every 2-3 years. The Council also discussed the possibility of including wider shoulders or a bike path on Veterans Road if funding sources could be found. There was consensus to move forward with drafting an amendment to the assessment policy based on the recommendations discussed, to be formally presented at the next meeting.

There was also consensus to reclassify the Roads and Finance Committees as a Roads & Finance Task Force. Clerk Delougherty will have a resolution prepared for the next meeting to formalize Council's decision.

#### **Personnel Committee**

Clerk Delougherty reported that she had prepared a consultant agreement for former Clerk Okerman based on direction from the previous meeting. The proposed agreement would have Okerman provide consulting services at \$60 per hour, not to exceed 24 hours in a two-week pay period unless authorized by the city, to extend through the completion of the 2025 audit.

Council members expressed support for the agreement, noting that Okerman's historical knowledge would be valuable for the budget process. It was agreed to place the agreement on the next meeting's agenda for formal approval.

#### **Park Committee**

##### **Diamond Club Duty & Responsibility Agreement and Donation Resolution #25-09-319**

Clerk Delougherty presented an agreement with Diamond Club for the 2026 summer baseball season that mirrors the 2025 agreement. The Diamond Club has offered a donation of \$960 for the cost of two satellite toilets for the 2025 season, contingent upon the agreement remaining unchanged.

Mayor Rudlang noted that one provision allows Diamond Club one free use of the concession stand, but he would be open to allowing more uses if requested, as he'd like to see the facility utilized more.

*Motion by Councilmember Carlson, seconded by Councilmember Flategraff, to approve the agreement with Diamond Club. Motion carried unanimously.*

*Motion by Councilmember Siltman, seconded by Councilmember Carlson, to approve Resolution #25-09-319 accepting donations from Diamond Club. Motion carried unanimously.*

Councilmember Flategraff mentioned that Diamond Club had taken photos of activities at the baseball field and when they placed flags at the cemetery. He suggested these photos should be shared through city communication channels to show residents how the baseball field is being used. Clerk Delougherty noted she would be happy to post such content to the website.

#### **Miscellaneous/Communication**

Mayor Rudlang informed the Council that there had been an accident involving the city lawnmower that resulted in damage to Delougherty's windshield. The Council discussed

how to handle this, with the consensus being to get a repair estimate before deciding whether to file an insurance claim.

Councilmember Carlson noted that it was reported to him that the cemetery grass was quite long when Diamond Club placed flags for Memorial Day. There was discussion about coordinating better with Diamond Club on the timing of mowing and flag placement for future holidays.

Clerk Delougherty also reported that Roger had replaced the Space Force flag at the park and was replacing a mailbox on Ackerman that had been damaged during snow plowing last winter. She also mentioned that Pequot Lakes Public Works had placed four loads of gravel on Myers Road as part of their cost-share agreement, with a bill of approximately \$500-600 expected.

**Adjournment**

*Motion by Councilmember Flategraff, seconded by Councilmember Carlson, to adjourn the meeting at approx.. 7:52pm. Motion carried unanimously.*

Fund Name: All Funds

Date Range: 09/09/2025 To 09/19/2025

<u>Date</u>	<u>Vendor</u>	<u>Check #</u>	<u>Description</u>	<u>Void</u>	<u>Account Name</u>	<u>F-A-O-P</u>	<u>Total</u>
09/09/2025	Payroll Period Ending 09/09/2025	30265	8/24/25-9/6/25 PAY PERIOD, HEALTH STIPEND, AND CC	N	Council/Town Board	100-41110-106-	\$ 230.87
Total For Check 30265							<u>\$ 230.87</u>
09/09/2025	Payroll Period Ending 09/09/2025	30266	8/24/25-9/6/25 PAY PERIOD, HEALTH STIPEND, AND CC	N	Council/Town Board	100-41110-106-	\$ 180.87
Total For Check 30266							<u>\$ 180.87</u>
09/09/2025	Payroll Period Ending 09/09/2025	30267	8/24/25-9/6/25 PAY PERIOD, HEALTH STIPEND, AND CC	N	Clerk	100-41425-101-	\$ 1,642.62
Total For Check 30267							<u>\$ 1,642.62</u>
09/09/2025	Payroll Period Ending 09/09/2025	30268	8/24/25-9/6/25 PAY PERIOD, HEALTH STIPEND, AND CC	N	Payroll Administration	100-41501-131-	\$ 398.52
Total For Check 30268							<u>\$ 398.52</u>
09/09/2025	Payroll Period Ending 09/09/2025	30269	8/24/25-9/6/25 PAY PERIOD, HEALTH STIPEND, AND CC	N	Council/Town Board	100-41110-106-	\$ 230.87
Total For Check 30269							<u>\$ 230.87</u>
09/09/2025	Payroll Period Ending 09/09/2025	30270	8/24/25-9/6/25 PAY PERIOD, HEALTH STIPEND, AND CC	N	Public Works/Maintenance	100-43102-103-	\$ 712.17
Total For Check 30270							<u>\$ 712.17</u>
09/09/2025	Payroll Period Ending 09/09/2025	30271	8/24/25-9/6/25 PAY PERIOD, HEALTH STIPEND, AND CC	N	Payroll Administration	100-41501-131-	\$ 317.85
Total For Check 30271							<u>\$ 317.85</u>
09/09/2025	Payroll Period Ending 09/09/2025	30272	8/24/25-9/6/25 PAY PERIOD, HEALTH STIPEND, AND CC	N	Council/Town Board	100-41110-106-	\$ 277.05
Total For Check 30272							<u>\$ 277.05</u>
09/09/2025	Payroll Period Ending 09/09/2025	30273	8/24/25-9/6/25 PAY PERIOD, HEALTH STIPEND, AND CC	N	Council/Town Board	100-41110-106-	\$ 230.87
Total For Check 30273							<u>\$ 230.87</u>
09/09/2025	Payroll Period Ending 09/09/2025	30274	8/24/25-9/6/25 PAY PERIOD, HEALTH STIPEND, AND CC	N	Public Works/Maintenance	100-43102-103-	\$ 222.68
Total For Check 30274							<u>\$ 222.68</u>

Fund Name: All Funds

Date Range: 09/09/2025 To 09/19/2025

<u>Date</u>	<u>Vendor</u>	<u>Check #</u>	<u>Description</u>	<u>Void</u>	<u>Account Name</u>	<u>F-A-O-P</u>	<u>Total</u>
09/09/2025	Payroll Period Ending 08/26/2025	30275	8/10/25 through 8/23/2025	N	Clerk	100-41425-101-	\$ 1,378.12
Total For Check		30275					<u>\$ 1,378.12</u>
09/09/2025	Payroll Period Ending 08/26/2025	30276	8/10/25 through 8/23/2025	N	Clerk	100-41425-100-	\$ 5,771.00
Total For Check		30276					<u>\$ 5,771.00</u>
Total For Selected Checks							<u><u>\$ 11,593.49</u></u>



4d

Date Range : 9/1/2025 To 9/19/2025

<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Claim #</u>	<u>Total</u>	<u>Account #</u>	<u>Account Name</u>	<u>Detail</u>
09/10/2025	Thurlow Hardware	batteries	2814	\$11.29	100-41940-215-	General Government Buildings and Plant	30277 \$11.29
09/10/2025	On Systems Inc.	Inv#12205 Domain reenewal fee	2815	\$25.00	100-41425-209-903	Clerk	30278 \$25.00
09/10/2025	Schrupp Excavating	Inv 20251082 from 9/3/25 3 hours grader	2816	\$450.00	100-43101-405-	Highways and Streets	30279 \$450.00
09/10/2025	TextMyGov	Inv.503983 TextMyGov software mgmt and support Oct '25-Sept '26-\$2,500	2817	\$2,500.00	100-41425-433-	Clerk	30280 \$2,500.00
09/10/2025	AAA Rental Inc	Inv 91815 Brushhog rental 9/5-9/6/25	2818	\$351.75	100-43102-416-	Public Works/Maintenance	30281 \$351.75
09/01/2025	Sourcewell	2024-2025 Community Impact Funding Reimbursement for staff labor costs	2819	\$125.88	100-41940-810-903	General Government Buildings and Plant	30282 \$125.88
09/15/2025	Tri-County Septic Inspection	New Septic design review and inspection Nierenhausen 36244 CR15, PID26230515	2820	\$235.00	100-43254-310-	New Sewer Services	30283 \$235.00
09/15/2025	TDS	Phone and internet	2821	\$178.14	100-41940-321-	General Government Buildings and Plant	30284 \$178.14
09/15/2025	MN Power	Street & B&G Lights 8/5 - 9/4/25	2822	\$941.19	100-43160-381-	Street Lighting	30285 \$600.33

Date Range : 9/1/2025 To 9/19/2025

<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Claim #</u>	<u>Total</u>	<u>Account #</u>	<u>Account Name</u>	<u>Detail</u>
					100-41940-381-	General Government Buildings and Plant	30285 \$340.86
09/15/2025	City of Pequot Lakes	half of the cost of 56yards of class 5 on Myers Road per agreement with Pequot Lakes	2823	\$504.00			
					100-43101-403-	Highways and Streets	30286 \$504.00
09/16/2025	Crow Wing County Land Services	E911 Addressing M. Stockman PID26220521	2824	\$25.00			
					100-41420-310-	Recording and Reporting	30287 \$25.00
09/10/2025	State of IA	CSE 08/24 - 09/06/25 pay period	EFT2650120	\$60.00			
					100-41425-175-	Clerk	EFT \$60.00
09/10/2025	Internal Revenue Service	August 2025 - Quarter 3 941	EFT5174732	\$4,286.17			
					100-41501-122-	Payroll Administration	EFT \$2,303.89
					100-41501-135-	Payroll Administration	\$538.81
					100-41501-170-	Payroll Administration	\$1,443.47
09/15/2025	Elan Financial Services	fuel, stamps, newspaper notices, microsoft subscription	EFTC6407A2 D8B	\$442.36			
					100-41425-352-	Clerk	EFT \$147.87
					100-41425-322-	Clerk	\$78.00
					100-41940-212-	General Government Buildings and Plant	\$202.55
					100-41425-433-	Clerk	\$13.94
Total For Selected Claims				\$10,135.78			\$10,135.78

Date



**City of Jenkins Procedures for members of the public to submit an agenda item for action:**

1. Please identify the item and/or subject you would like put on the agenda. Please note city staff shall have the right to edit it in order to fit on the agenda.  
Current Cannabis Ordinance and propose amendment
2. Return the form to the City Clerk-Treasurer by email at [krista.okerman@cityofjenkins.com](mailto:krista.okerman@cityofjenkins.com), by mail or drop off at 33861 Cottage Avenue, Jenkins, MN 56474.
3. The form must be received at City Hall by 5:00 the Tuesday prior to the **next available meeting**.

Name: Drake & Trent Beyer; Mike & Jullie Hastings, retail license applicants

Address: on file

Phone: on file Email: on file

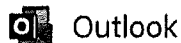
Are you requesting any action/decision by the City Council (circle one)? Y/N:

Nature of Request (please use another sheet if necessary):

Please see letters to Council provided by applicants

Do you have supporting documents to attach (check one): Y ☒ N ☐

Signature: Jullie Hastings Date: 09/18/2025



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**Request for Work session/ Special meeting with City Council**

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From Peak Mountain Services <[REDACTED]>  
Date Tue 9/16/2025 11:49 AM  
To Cassandra Delougherty - Jenkins <cassandra.delougherty@cityofjenkins.com>

Good Afternoon City Council Members,

I am writing to request a special meeting or work session with the City Council. My brother and I have been in discussions with fellow applicants, Julie and Mike from MN Roots. We believe we have developed a solution that addresses the needs of Jenkins, the City Council, and the applicants. Our goal is to ensure this ordinance moves forward in a way that allows applicants to begin building their business.

We would greatly appreciate the opportunity to meet with the Council for an open discussion, where we can answer questions and work collaboratively toward a resolution on this ordinance.

In advance of the meeting, we can provide a more detailed breakdown of our proposal. In summary, we will be presenting a clear direction that we believe will be beneficial for Jenkins and lead to a satisfactory outcome for the applicants. Specifically, the applicants intend to collaborate in a cooperative arrangement, offering a variety of products from each company while working symbiotically. This approach aligns with the values of Jenkins and serves the best interests of its residents.

Thank you for your time and consideration. We look forward to the opportunity to work with you.

Respectfully,

Drake and Trenton Beyer



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**Special Meeting Request**

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**From** Jullie Hastings <[REDACTED]>  
**Date** Wed 9/17/2025 8:46 AM  
**To** cassandra.delougherty@cityofjenkins.com <cassandra.delougherty@cityofjenkins.com>  
**Cc** [REDACTED]

Jenkins City Council:

I am writing you today concerning the City of Jenkins' cannabis registration process and a joint request for a special work session and meeting with the Jenkins City Council along with Drake and Trenton Beyer.

As you know, my husband, Michael Hastings, who is the sole owner of Hometown Buds, LLC, has done everything required to open his cannabis business in Jenkins. You have received letters from Hometown Buds, LLC's attorneys regarding same. While we wait for Jenkins to act, we have met with the Beyer family, whom we understand also has an interest in opening a cannabis business in Jenkins.

While we understand Jenkins' original position of believing the city would have only a single cannabis business, we (along with the Beyer family) would like to meet with you to discuss a potential resolution to the cannabis license issuance in the City of Jenkins, one that benefits Hometown Buds, LLC, the Beyers, and the city itself, as we understand and appreciate the stress of the cannabis situation has had on Jenkins. Specifically, we would like to request that Jenkins have more than one cannabis business.

Please let us know when we can meet – we are able and willing to meet as soon as possible, which is to the benefit of everyone involved.

Thank you  
Mike & Jullie Hastings

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[REDACTED]

## Option #1

### **Section 113.13. LIMITING OF REGISTRATIONS**

1. If Crow Wing County has one active cannabis retail businesses registration for every 12,500 residents, the City shall not be required to register additional state-licensed cannabis retail businesses.
2. In no event shall the City issue more than three (3) cannabis retail business registration within the city. The three (3) retail business will be selected based off completed requirement's under **Section 113.07**

## Option # 2

### **Section 113.13. LIMITING OF REGISTRATIONS**

1. If Crow Wing County has one active cannabis retail businesses registration for every 12,500 residents, the City shall not be required to register additional state-licensed cannabis retail businesses.
2. In no event shall the City issue more than two (2) cannabis retail business registration within the city. The two (2) retail business will be selected based off completed requirements under **Section 113.07**
3. The city shall also issue one (1) Cannabis Micro- business license to include one (1) retail location and a micro grow facility with up to 5,000 SQF of grow based off completed requirements under **Section 113.07**



**RESOLUTION NO. 25-09-321**

**A RESOLUTION APPROVING THE PRELIMINARY TAX LEVY,  
COLLECTIBLE IN 2026 FOR THE CITY OF JENKINS**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF JENKINS, COUNTY OF CROW WING MINNESOTA AS FOLLOWS:

That the following sum of money be levied for the current year, collectible in 2026, upon taxable property in the City of Jenkins to maintain the preliminary operational budget and services for the City of Jenkins.

Total levy: \$ \_\_\_\_\_

The City Clerk is hereby instructed to transmit a certified copy of this resolution to the County Auditor of Crow Wing County, Minnesota.

Passed by the City Council of Jenkins, Minnesota this 23<sup>rd</sup> day of September, 2025.

\_\_\_\_\_  
Andrew J. Rudlang, Mayor

Attested:

\_\_\_\_\_  
Cassandra M. Delougherty, City Clerk-Treasurer



AGENDA ITEM # \_\_\_\_\_

**REPORT TO CITY COUNCIL**

**Prepared by:** Krista Okerman

**Date:** September 11, 2025

**Subject:** Equipment purchase

**Report:** The purpose of this is to outline the potential purchase of new equipment which was identified at the August 11<sup>th</sup> budget workshop and provide you a summary of funding sources for the identified equipment.

**Equipment identified:**

1. Toolcat (purpose and justification)
  - a. A Toolcat is a very versatile piece of equipment, which can be used for grounds maintenance, landscaping, construction, snow and ice control, tree removal and clean-up to mention a few.
  - b. Attachments can be purchased.
  - c. It can be used year-round and can be replace several other pieces of equipment and/or the need to rent other equipment.

**Estimated cost: \$63,500.00**

2. Zero Turn lawnmower (purpose and justification)
  - a. The City's existing lawnmower is reaching a high amount of hours, which may cause future maintenance costs.
  - b. The City has a large amount of green space to maintain with much of it irrigated, which results in a weekly (or more) mowing schedule.
  - c. Zero-turn mowers reduce mowing time resulting in cost savings.

**Estimated cost: \$15,492.00**

***NOTE: Both pieces of equipment provide essential city services.***

**Funding sources:**

**TOTAL EQUIPMENT COSTS: \$78,992.00**

1. General Fund Allocation - 2026 budget and 2026 reserves
  - a. \$15,000.00 (includes \$10K in matching funds)
2. Grant Opportunities
  - a. Sourcewell Community Match Fund - \$40,000.00
3. Income from sale of existing equipment
  - a. Bobcat - \$12,000 - \$15,000
  - b. ExMark lawnmower - \$3,000 - \$3,500

Funding Source	Amount	Notes
General Fund	\$10,000.00	***2026 Budget for City grant match portion (to replenish reserves)
General Fund Reserves	\$5,000.00	2026 Budget to account for future equipment purchases
General Fund Reserves	\$9,000.00	Existing Reserve Funds
Sourcewell Community Match Funds	\$40,000.00	Apply for 2025-2026 funding as soon as possible
Income from sale of Bobcat	\$12,000.00 - \$15,000.00	Sell outright accepting minimum bid
Income from sale of lawnmower	\$3,000.00 - \$3,500.00	Sell outright accepting minimum bid
<b>Description</b>		<b>Total</b>
Equipment cost		\$78,992.00
2026 general fund budget amount		\$10,000.00
2026 Heavy Equipment Reserve Fund		\$5,000.00
Existing Heavy Equipment Reserves to be used		\$9,000.00
Other Funding Sources		\$55,000.00

**Budget Impact:** If the City is successful in securing the Community Impact Funds and selling the existing equipment outright with the minimum amounts listed above, the budget impact would result in an approximate \$9,000.00 reduction in the Heavy Equipment Reserve Fund to purchase the equipment. If that is done, the 2025 year-end total for Heavy Equipment Funds would be \$17,632.73 and the 2026 total would be \$32,632.73 (\*\*\*if the 2026 budget needs to be decreased, this \$10K could be removed and the 2026 year-end total would be \$22,632.73).

**Council Action Recommended:** Approval of applying for the 2025-2026 Community Match Funds Grants. If successful securing those funds – approval of selling existing equipment as noted above.

**RESOLUTION NO. 25-09-322**

**A RESOLUTION SUPPORTING THE APPLICATION FOR COMMUNITY IMPACT FUNDS FROM SOURCEWELL**

**WHEREAS**, it is a goal of the Jenkins City Council to improve the quality of life for residents, businesses and tourists in the Jenkins community; and

**WHEREAS**, The City has a duty to efficiency and responsible spending; and

**WHEREAS**, it has been recognized that making city buildings and grounds more accommodatin and accessibleg, as well as more efficient clearing of public paths and right of ways can help build a stronger and more cohesive community; and

**WHEREAS**, creating a more timely and cost-effective approach to disaster preparedness, safety, and efficiency while supporting City personnel to provide safe and reliable City Equipment will aid in reaching the City's goal; and

**WHEREAS**, it has been identified that there is a need to update and improve necessary heavy equipment to ensure that our buildings, grounds, and the services we provide are improving our residents, businesses and tourists.

**NOW THEREFORE**, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF JENKINS, MINNESOTA AS FOLLOWS:

1. The Jenkins City Council fully supports the Jenkins City Staff in implementing the Jenkins City Efficiency Project to upgrade outdated equipment, increasing efficiency to provide services without the excess cost of equipment rental and labor costs.
2. The Jenkins City Council further supports the Jenkins City Staff and in submitting a Community Impact and Community Match Funding applications to Sourcewell to request financial support for the Jenkins City Efficiency Project.

Passed by the City Council of Jenkins, Minnesota this 23<sup>rd</sup> day of September, 2025.

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Andrew J. Rudlang, Mayor

Attested:

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Cassandra M. Delougherty, City Clerk-Treasurer