

**MELROSE CITY COUNCIL  
REGULAR MEETING  
THURSDAY, FEBRUARY 19, 2015 – 6:00 P.M.**

**AGENDA**

1. Call to Order/Roll Call/Pledge of Allegiance
2. Approval of Agenda
3. Open Forum
4. Consent Agenda
  - a. Approval of Minutes
  - b. Approval of Bills/Purchase Orders
  - c. Approval of Investments
  - d. Donation Resolutions:
    - 1) Resolution No. 2015-6, Donation from Melrose Towing and Recovery towards the Melrose Fire Department
    - 2) Resolution No. 2015-7, Donation from Doris Herdering towards the Senior Center quilting fund
  - e. Parks and Recreation Board Appointment
5. Reports
  - a. Police Department Monthly
  - b. Rose Park/ Melrose Community LLC Update
  - c. Planning and Zoning Commission
  - d. City Attorney Report
6. Action Items
  - a. Fund 203 – Fund Allocation Undesignated / Resolution No. 2015-8
  - b. Police Department Hire - Police Reserves
  - \* c. 2015-2016 LMCIT Worker's Compensation Insurance Quote
  - \* d. Blandin Foundation
7. Old Business
8. New Business
  - a. Meeting Schedule
  - b. Resolution No. 2015-9, Resolution Adopting the First Amendment to the Development Agreement By and Between City of Melrose, Minnesota and Twin Pines Catering Co.
  - \* c. Future Road Projects

9. Informational Items
  - a. Schools and Conferences
  - b. Utilities Commission Meeting Minutes
  - c. MADA/COC Meeting Minutes
  - d. Planning and Zoning Commission Meeting Minutes
  - e. Legislative Conference
  - f. Thank You Note from Community Education Director
  - g. 2014 Report of Melrose Public Library Activities
  - h. Ambulance Department Member Resignation
  - i. City Administrator Performance Evaluation

10. Adjournment

\* Amendments

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THURSDAY, FEBRUARY 19, 2015 – 6:00 P.M.**

**A.I. #1 CALL TO ORDER/ROLL CALL/PLEDGE OF ALLEGIANCE**

The Melrose City Council met in a Regular Meeting on Thursday, February 19, 2015 at 6:00 p.m. at the Melrose City Center pursuant to due notice being given thereof. Present were Council Members Tony Klasen, Jenny Mayers, Dick Christenson, and Josh Thieschafer, Mayor Joe Finken, and City Administrator/Treasurer Michael Brethorst. Mayor Finken presided thereat.

The Council then recited the Pledge of Allegiance.

**A.I. #2 APPROVAL OF AGENDA**

A motion was made by Ms. Mayers, seconded by Mr. Klasen and unanimously carried to approve the agenda as amended.

**A.I. #3 OPEN FORUM**

Mayor Finken then opened the floor to public comment. There were no comments.

**A.I. #4 APPROVAL OF CONSENT AGENDA**

The following items were considered for approval under the Consent Agenda:

- a. the minutes from the Council's January 8 Special Joint Meeting with the Utilities Commission, the January 22 Special Joint Meeting with the Utilities Commission, the January 22 Regular Meeting, and the February 3 Special Meeting.
- b. list of bills in the amount of \$130,642.09. (See attached list)
- c. list of investments for the month of January. (See attached list)
- d.
  - 1) Resolution No. 2015-6, donation in the amount of \$400 from the Melrose Towing and Recovery towards the Melrose Fire Department.
  - 2) Resolution No. 2015-7, donation in the amount of \$75 from Doris Herdering for the Senior Center quilting fund.
- e. The Planning and Zoning Commission, at its January 26 Meeting, nominated Mr. Paulson for Council consideration as the Planning and Zoning representative on the Parks and Recreation Board for a three year term.

A motion was made by Mr. Christenson, seconded by Mr. Thieschafer and unanimously carried to approve the consent agenda items.

## **A.I. #5 REPORTS**

- a. Police Chief Craig Maus presented the Police Department's January report. He noted there were 206 calls for service during that month, compared to 130 for January 2014. A total of eight citations were written for the month of January. For the month of January 2015, the Department received 22 agency assist calls.
- b. Police Chief Maus reported that the storm shelters for the mobile home parks are moving forward. Construction of the shelters should begin this spring.
- c. Planning and Development Director Walz reported on the Planning and Zoning Commission's January 26 Regular Meeting. Mr. Walz noted that the Commission, along with staff, continued its participatory review of another portion of the draft Zoning Ordinance.
- d. City Attorney Scott Dymoke reported on projects he has been working on for the City:
  - CentraCare Utility Easements Agreement: Received and reviewed survey and proposed utility easement agreement for Park View project. Revised easement agreement to include additional property identified in previous surveys and forwarded to city staff for execution and filing.
  - Xcel Pole Attachment Agreement: Reviewed existing pole attachment agreement with Xcel Energy and proposal to update agreement. Compared proposal with current Charter Communications pole attachment agreement and fee structure. Prepared and forwarded opinion to City Administrator
  - Southwest Substation Utility Easements: Received and reviewed planning documents identifying location of additional utility easements needed in conjunction with construction of new southwest substation, together with summary of property owners affected by easement requirements. Obtained legal descriptions for effected properties from Stearns County Recorder and confirmed record ownership of effected property. Prepared and forwarded drafts of utility easement agreements to City Administrator for review and comment.

## **AI #6 ACTION ITEMS**

- a. Mayor Finken noted that the Council has historically approved designating the unallocated setasides within Fund 203. It is projected that Parks Improvement, Public Works Street Improvement, Office Equipment and City Center Maintenance will have deficits in the coming years. With modest adjustments from year to year, these deficits can be managed. With the sale of CentraCare and its land assets, the City has an estimated \$1,100,000 remaining of assets to be paid back over the next nine years. As of December 31, 2014, the City has set aside \$358,495 of the CentraCare funds to pay for the street portion of the bridge project. It has set aside \$115,000 for future park land purchases. In addition, it has obligated and/or set aside \$49,000 to MADA for economic development incentives. As of today, the CentraCare unallocated fund balance is \$437,493. It is recommended to allocate \$100,000 of the CentraCare unallocated fund to Fund 203 to help offset future projected shortcoming. In accordance with GASB 54, staff recommends dedicating the funds to specific one time capital projects.

A motion was made by Ms. Mayers seconded by Mr. Klasen and unanimously carried adopting Resolution No. 2015-8, Committing Fund Balances for Specific Purposes. (See attached resolution)

- b. Mayor Finken stated that Police Chief Maus is seeking Council approval to hire Nolan Schmidt as a Police Reserve. He is currently enrolled in the Law Enforcement Program at the Alexandria Technical College.

A motion was made by Mr. Christenson, seconded by Mr. Klasen and unanimously carried approving the hiring of Mr. Schmidt to the Melrose Police Department Reserves.

- c. The Council next gave consideration to approving the quote received from the League of Minnesota Cities Insurance Trust (LMCIT) for worker's compensation insurance for the period of March 7, 2015 through March 7, 2016. The net premium costs for the upcoming period are \$44,377. The quote in 2014 was \$45,261, which is decrease of 2%. The experience modification decreased to 0.67% for the 2015-2016 coverage period, down from .69% for the 2014-2015 coverage period. It is recommended that the City again approve the regular premium option.

The General Fund share of the premium is \$28,845 and the Utilities' share is \$15,532 (compared to \$29,501 and \$15,760, respectively for the past year).

A motion was made by Mr. Christenson, seconded by Ms. Mayers and unanimously carried approving the worker's compensation insurance renewal quote from LMCIT in the amount of \$44,377.

- d. Mayor Joe Finken and the Melrose Area Development Authority is seeking the submittal of an application to participate in the Blandin Community Leadership Program for the year 2016. The application deadline for 2016 is March 2015. The intent of the program is to grow leaders within the community and also provide participants with practical skills around communication, strategic planning, identifying resources, and so on. It will give you tools to help our community grow. Additionally, upon completion and graduation, the City would be designated as a Blandin Leadership Community and make the city Cligible for grants through the Foundation.

There is no cost to send participants though the program. The only cost is time away from the employer. This is a competitive program and the Blandin Foundation chooses the cohort members. There is a group of 24 people that would go through this program. They are looking for people with a variety of backgrounds to represent the full community. The people would not need to be identified yet, but letters of support from various organizations to be a competitive community would be needed.

The program idea has been presented to the Chamber of Commerce and they voted today to support an application. They also supported the idea to expand the application to include all of School District 740. The intent of the application is to reach out and grow leaders.

A motion was made by Mr. Thieschafer, seconded by Mr. Christenson and unanimously carried to support the application and direct staff to submit a proposal.

#### **A.I. #7 OLD BUSINESS**

None

#### **A.I. #8 NEW BUSINESS**

- a. Mayor Finken noted that the Local Board of Appeals and Equalization meeting with Stearns County Assistant Assessor is scheduled for Thursday, April 16 at 4:30 p.m. Please note the date and time as a quorum is required for this meeting.
- b. Mayor Finken noted that at MADA's January 21 meeting, Planning and Development Director Walz presented for MADA consideration the use of part of the Tax Increment Financing (TIF) increment previously received for the Dollar General parcel located in the Twin Pines Catering Co. TIF District 8-1 for payment of Developer Steve Danzl's portion of the TIF costs for legal and administrative expenses incurred with the adoption of the TIF plan and the preparation of the Development Agreement in the amount of \$3,872.20. Payment of the costs associated with the adoption of a TIF plan and preparation of a development agreement are negotiated on a per project basis. Unlike the Warrior Properties/Boats TIF project before it or the Carstens Industries TIF project which followed it and for which the City paid 100% of the cost for each, for Twin Pines, it only paid 50%. Since there are excess funds in the Twin Pines TIF District account which are separate from the Twin Pines Development Project TIF funds, MADA recommended to the Council that it take action to utilize a portion of the unused TIF District funds to cover Mr. Danzl's portion of the fees.

Mr. Thieschafer introduced Resolution No. 2015-9, Resolution Adopting the First Amendment to the Development Agreement By and Between City of Melrose, Minnesota and Twin Pines Catering Co. (See attached resolution.) The motion was seconded by Mr. Christenson with a roll call vote recorded as follows:

FOR: Council Members Thieschafer, Christenson, Mayers and Mayor Vogel  
AGAINST: Council Member Klasen

- c. Mayor Finken noted that there has been some discussion on the process for capital improvement projects. Mr. Klasen stated that he would prefer that the Council becomes involved with the project prior to going to the engineer. Ms. Mayers was in agreement with Mr. Klasen. Mr. Christenson stated that perhaps the Council should be more proactive at the onset of the projects. The Council, by consensus, was to continue to hold Five Year Capital Improvement Plan work sessions and focusing on the coming years capital projects. During these sessions, it was the consensus to focus in greater detail on the project of the coming year.

## **A.I. #9 INFORMATIONAL ITEMS**

The following informational items were discussed:

- a. The following is a list of upcoming schools and conferences:
  1. MCFOA Conference – March 17-20. Attending: City Clerk Patti Haase
  2. Wellness Forum – February 3 in Sartell - Resource Training & Solutions. Attending: Accounting Clerk Stacy Funk
  3. EMS Bash from North Memorial Hospital - March 6-7. Attending: Ambulance Department Member Shannon Budeau
  4. Legislative Conference for Cities, Counties, Schools and Townships - March 4-5 in St. Paul. Attending: City Administrator Brethorst and one Council Member is budgeted
- b. Utilities Commission's January 12 Regular Meeting minutes and the February 9 Regular Meeting minutes.
- c. MADA/COC's December 9, 2014 Regular Meeting minutes.
- d. Planning and Zoning Commission's December 16, 2014 Regular Meeting minutes.
- e. Legislative Conference for Cities, Counties, Schools and Townships. Please notify Stacy Funk if you wish to attend.
- f. Thank You Note from Community Education Director Stacy Austing-Jacobson.
- g. 2014 Report of Melrose Public Library Activities.
- h. EMT Tina Schmidt has submitted her resignation effective January 17, 2015.
- i. On January 22, the Council and Commission conducted the annual performance evaluation of City Administrator Mike Brethorst. The evaluation was favorable. Performance and goals were discussed.

## **A.I. #10 ADJOURNMENT**

A motion was made by Mr. Christenson, seconded by Mr. Klasen and unanimously carried that the meeting be adjourned at 7:00 p.m.

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PATRICIA HAASE – CITY CLERK