

**MELROSE CITY COUNCIL  
REGULAR MEETING  
THURSDAY, JULY 16, 2015 – 6:30 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. Renewal Application for Optional 2:00 A.M. Liquor License – Anthems at MP's
  - e. Donation Resolutions:
    - 1) Resolution No. 2015-34 – Donation from St. Rosa Lions and St. Rosa Jaycee's towards the Melrose Fire Department
    - 2) Resolution No. 2015-35 – Donation St. Rosa Lions and St. Rosa Jaycee's towards the Melrose Ambulance Department
    - 3) Resolution No. 2015-36 – Donations to the Park and Recreation 2015 Golf Scramble
    - 4) Resolution No. 2015-39 – Donation Resolution from American Legion Post 101 towards Night to Unite
  - f. Finance Director Step Increase
  - g. Accounting Clerk Step Increase
- 5A. Induction of Police Officer - Aaron Baros
5. Reports
  - a. Presentation – The Initiative Foundation
  - b. Police Department Monthly
  - c. Planning & Zoning Commission
  - d. City Attorney Report
  - e. Lake Survey – WSB & Associates
6. Action Items
  - a. Proclamation – Night to Unite
  - b. Fire Alarm Monitoring
  - c. Inspection Agreements
  - d. Streets/Parks Worker Hire
  - e. Part-time Police Officer Hire
  - f. Firefighter Hire
  - g. Resolution No. 2015-37, Transferring Balance and Closing Fund
  - h. Resolution No. 2015-38, Transfer of Funds

7. Old Business
  
8. New Business
  - a. Petition for Improvements
  - b. Fishing Pier
  
9. Informational Items
  - a. Bank Accounts
  - b. Charter Communications Programming
  - c. Schools and Conferences
  - d. Utilities Commission Meeting Minutes
  
10. Adjournment

**MELROSE CITY COUNCIL  
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THURSDAY, JULY 16, 2015 – 6:30 P.M.**

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

The Melrose City Council met in a Regular Meeting on Thursday, July 16, 2015 at 6:30 p.m. at the Melrose City Center pursuant to due notice being given thereof. Present were Council Members Jenny Mayers, Dick Christenson, Tony Klasen, Josh Thieschafer, Mayor Joe Finken, City Administrator Michael Brethorst, and City Clerk Patti Haase. Mayor Finken presided thereat.

The Council then recited the Pledge of Allegiance.

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

A motion was made by Mr. Klasen, seconded by Mr. Christenson and unanimously carried to approve the agenda as submitted.

**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 June 18 Regular Meeting.
- b. list of bills in the amount of \$143,817.42. (See attached list)
- c. list of investments for the month of June. (See attached list)
- d. The City has received a 2:00 A.M. Closing Liquor License Application from Anthems at MP's. City Code Chapter 113 adopts M.S. Ch. 340A by reference which allows sales of intoxicating liquor between the hours of 1:00 a.m. and 2:00 a.m. after obtaining a permit from the State of Minnesota. The State provides the application form and collects the license fee. The City has the ability to also establish a fee, however, has chosen not to.
- e. Donation Resolutions:
  - 1) Resolution No. 2015-34, donation in the amount of \$1,000 from the St. Rosa Lions and St. Rosa Jaycees towards the Melrose Fire Department.
  - 2) Resolution No. 2015-35, donation in the amount of \$1,000 from the St. Rosa Lions and St. Rosa Jaycees towards the Melrose Ambulance Department.
  - 3) Resolution No. 2015-36, donation from the various sponsors and contributors towards the City of Melrose Parks and Recreations Capital Fund from the Golf Scramble Fund Raising Event.
  - 4) Resolution No. 2015-39, donation in the amount of \$100 from American Legion Post 101 towards Night to Unite.
- f. Finance Director Tessa Beuning will complete one year of service on July 9. City Administrator Brethorst has reviewed her performance and it is favorable; therefore, is recommending that Ms. Beuning be advanced from Step 5 to Step 6 annually.

- g. Accounting Clerk Stacy Funk will complete one year of service on July 28. Finance Director Beuning and City Administrator Brethorst have reviewed her performance and it is favorable; therefore, are recommending that Ms. Funk be advanced from Step 4 to Step 5 per hour. The Council to give approval to Ms. Beuning's and Ms. Funk's step increases.

A motion was made by Mr. Christenson, seconded by Ms. Mayers and unanimously carried to approve the Consent Agenda items.

#### **A.I. #5A INDUCTION OF POLICE OFFICER**

Police Chief Craig Maus conducted the Swearing-in Ceremony with an Oath of Office and pinning of badge for Police Officer Aaron Baros.

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

- a. Eric Stommes with the Initiative Foundation provided the Council with a brief overview and information on the organization.
- b. Police Chief Maus presented the Police Department's June report. He noted there were 210 calls for service during that month compared to 270 for June 2014. A total of 14 citations were written for the month of June. The year-to-date number of calls is 1529 compared to 1295 in 2014. For the month of June 2015, the Department received 23 agency assist calls. The Department has conducted re-inspection on the nuisance violations. There are three or four property owners still working towards coming into compliance. The Department will continue to monitor these properties for ongoing progress.
- c. Planning and Zoning Commission Member Klasen provided an update on the Commission's July 9 Regular Meeting. The Commission continued its participatory review of additional portions of the draft Zoning Ordinance update. This meeting's review focused on accessory structures, lot coverages and impervious surface maximums, and fence heights in relation to grade.
- d. City Attorney Scott Dymoke reported on the projects he has been working on for the City:
- Empire Memorial Land Swap: Reviewed Stearns County and District Court Records to confirm title of Empire Memorial property is not subject to liens or encumbrances. Prepared legal descriptions and quit claim deeds for properties involved in land swap.
  - Klaphake/Mielke Account: Worked with City staff to obtain partial payment of outstanding utility account from proceeds of sale of Tesoro property.
  - Land Use/Animal Regulations: Reviewed land use and animal regulations to determine that kennels are not permitted within the City. Advised City staff of findings.

- e. Bob Barth with WSB & Associates presented the Melrose Lake Survey. He noted that they had conducted a bathymetric survey of the lake to establish top of muck and hard bottom. They had discovered a uniform layer of muck five feet thick and a hard bottom consistently at the 10 to 11 foot depth. Calculations show 310,000 cubic yards of muck. The water depth is about five feet. A 25-year old DNR survey shows water depths of 5.5 to 6.5 feet. The project estimate to remove the entire 310,000 cubic yards is approximately \$5,941,040 and will take over the course of a year or more to complete. Potential funding is available through various organizations, including state bonding. The next steps would be to identify the disposal site, determine the project scale, and test sediments for pollutants and settling rate. It may also be beneficial to initiate contact with grant agencies and legislators.

The Council directed WSB & Associates to provide cost estimates to test sediments for pollutants and settling rates and testing on the west section of the lake.

### **A.I. #6 ACTION ITEMS**

- a. A motion was made by Mr. Christenson, seconded by Ms. Mayers and unanimously carried to adopt a proclamation proclaiming Tuesday, August 4, 2015 as “Night to Unite.” The residents of Melrose are invited to attend Night to Unite on Tuesday, August 4 from 5:30 p.m. – 8:00 p.m. at the Sauk River Park.
- b. Mayor Finken noted that the City maintains an alarm monitoring contract with Simplex Grinnell. A review of the specifications of the monitoring needs allows the City to utilize other vendors since the multi-year contract will expire August 31, 2015. Two quotes were received. The new contract would be from September 1, 2015 – August 31, 2016 and then be a month-to-month agreement:
- Simplex Grinnell: \$300 per year per facility
  - Heartland Security: \$324.40 per year per facility, plus a one time programing fee of \$300

Heartland is owned by Stearns Electric Cooperative and has a technician that lives in Melrose. Simplex Grinnell is a publically-owned company and has a local technician that lives in Melrose.

A motion was made by Ms. Mayers, seconded by Mr. Thieschafer and unanimously carried awarding a one-year monitoring contract to Heartland Security.

- c. City Administrator Brethorst stated that the City maintains a long term contract with Simplex Grinnell with different contract end dates. Efforts have been made to consolidate the contract to expire on the same date. Prior to four years ago, the City had multiple vendors providing inspection services; however, due to quality and confusion as to who is doing what, the City went to one vendor under a bundled contract. The City has spoken with two vendors, Simplex Grinnell and Nova. Simplex Grinnell was the low bidder.

To facilitate a unified schedule of contract expiration, the City requested that Simplex Grinnell provide an update agreement to cover:

Suppression Gas Systems Test and Inspection	Extinguisher Test and Inspection	Fire Alarm Test & Inspection	Sprinkler Test Inspection	Extinguisher Test and Inspect	Wet Sprinkler & Inspect 5 year
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The revisions of dates and updating quantities for fire extinguishers yields an annual cost of \$2,792 annually. This is an increase of \$384.50 annually due to an increase in the number of inspections and services required for fire extinguishers. The annual costs for services are broken down by departments, but no one department is funding this inspection program, which is required under fire code for public buildings.

The new term for services would be January 31, 2019. This service would cover the five-year inspection services for our wet and dry sprinklers, extinguishers, gas systems, etc. It does not include back flow preventer or RPZs. This work is completed by Finken Water Solutions.

A motion was made by Mr. Klasen, seconded by Ms. Mayers and unanimously carried to amend all bundled services with Simplex Grinnell to expire January 31, 2019.

- d. Mayor Finken noted that there were 34 applications were received for the full-time Streets/Parks Worker position being vacated by Gary Middendorf. Training & Education (T&E) scoring was conducted on all 34 applicants. Streets/Parks Supervisor Mark Maus, incoming Streets/Parks Supervisor Gary Middendorf, City Administrator Brethorst, and HR Coordinator Diane Gruber conducted interviews on Monday and Tuesday, July 13 and 14. The Committee is recommending the hire of Keith Dobmeier at Step 3 on the pay scale which is \$20.22 per hour.

A motion was made by Mr. Thieschafer, seconded by Mr. Christenson and unanimously carried approving the hire of Mr. Dobmeier at Step 3 which is \$20.22 per hour.

- e. Mayor Finken stated that Police Chief Craig Maus is recommending the hire of Jeff Eggert to fill the part-time Officer vacancy as the result of Dean Jungle's resignation. Mr. Eggert was interviewed during the full-time Officer hiring process. Pay would be at Start on the wage scale, which is \$21.05 per hour. There is the potential that this will be a shared position with the Sauk Centre Police Department as was the case with Officer Jungles.

A motion was made by Mr. Christenson, seconded by Ms. Mayers and unanimously carried approving the hire of Mr. Eggert as a part-time Police Officer contingent on a successful psychological exam and pre-employment physical.

- f. Mayor Finken noted that one of the recent hires to the Fire Department has declined accepting the appointment at this time for personal reasons. Fire Chief Jeremy Kraemer is recommending the hire of John Reimann to fill this vacancy. A successful background check has been conducted. Mr. Reimann's pre-employment physical is scheduled for Tuesday, July 14.

A motion was made by Ms. Mayers, seconded by Mr. Klasen and unanimously carried approving the hire of Mr. Reimann as a firefighter contingent upon successful completion of a pre-employment physical.

- g. Finance Director Beuning is recommending that the balance in Fund 208 – PIA Asset Building in the amount of \$248.36 be transferred to Fund 101 and be used towards the City’s Wellness Program and, in turn, close out Fund 208. There has been minimal to no activity for the past several years.

Mr. Klasen introduced Resolution No. 2015-37, Transferring and Closing Funds. The motion was seconded by Mr. Thieschafer with a roll call vote recorded as follows:

FOR: Council Members Klasen, Thieschafer, Mayers, Christenson, and Mayor Finken  
AGAINST: None

- h. Finance Director Beuning is recommending that the funds from the 2013 Golf Scramble be transferred from Fund 101 to Fund 203. These funds were originally coded to Fund 101. It is recommended to transfer the profits from the 2013 Golf Scramble in the amount of \$5,873.17 from Fund 101 to Fund 203 and dedicate those funds to the Park and Recreation equipment set-aside.

Mr. Thieschafer introduced Resolution No. 2015-38, Transfer of Funds. The motion was seconded by Ms. Mayers with a roll call vote recorded as follows:

FOR: Council Members Thieschafer, Mayers, Klasen, Christenson, and Mayor Finken  
AGAINST: None

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

None

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

- a. Mayor Finken stated that the City wishes to inform the residents that any petitions requesting public improvements for the year of 2016 must be filed with the City Clerk no later than July 22, 2015. The petitions for improvements such as sanitary sewer, water mains, street, and curb and gutter will be given consideration for improvement in 2016.
- b. Mayor Finken reported that, at its March 10, 2015 meeting, the Parks and Recreation Board approved a partnership with the Melrose Lake Association to secure an application for a DNR pier. On May 26, the Acquisition and Development Specialist and Area Supervisor for the Division of Parks and Trails conducted a site visit of the City. On July 13, the Parks and Recreation Board approved to endorse the placement of a 64 foot long permanent fishing pier on Melrose Lake in cooperation with MN DNR and the Melrose Lake Association.

On July 14, the MN DNR contacted the City and informed them that they would be allow the City to take possession of the fishing pier for free if we agreed to repair and make the pier accessible to all.

The estimated cost as per the DNR is to include transporting of the used pier to be \$10,000. The Parks and Recreation Board stated that they would allocate funds from the Park Capital Funds with a local match of \$2,500 was raised by other non-government sources. The repair of the pier would occur over the winter of 2015/2016 and then be installed spring of 2016. City staff would complete the repairs over the winter.

A motion was made by Ms. Mayers, seconded by Mr. Klasen and unanimously carried to enter into an agreement with the Minnesota DNR to take possession of the pier, repair it and install the pier and make it accessible to the public.

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

The following informational items were discussed:

- a. The City and Public Utilities maintained separate bank accounts, as well as a third account for payroll transfers. This process resulted in additional time spent on creating multiple vouchers per vendor and writing two checks per vendor when payments were split between General and Utility funds. If transfers were made between funds, staff would need to create a disbursement in the system as well as record a receipt of the funds. This created the need for reconciling items when transfers would occur after month end, as well as recognizing balances owed/due to funds when done after year end. Additionally, staff would have to transfer funds from each account for each payroll into a separate, payroll clearing account. Plus, our vendors, on many occasions, as well as employees, that support both the General Fund and Utilities Funds, would receive multiple checks versus just one check.  
Staff reviewed the Utilities Commission bylaws, as well as discussing with the City's auditors regarding best practices. It was determined that it would be best to consolidate the accounts to increase efficiencies, streamline processes and reduce the risk of errors. Additionally, it was abnormal for a City to have multiple accounts. Now, we will be following standard processes and eliminate the need for additional processes. As we use fund accounting already, we will continue to separate the funds to ensure no co-mingling of funds can occur. City Administrator Brethorst reported that the Commission at its July 13 meeting voted 2-1 to continue with separate bank accounts.
- b. Effective Wednesday, July 1, 2015, Charter Communications will be adding the Filipino Tier to their channel lineup options. The new channel is connecting Filipinos with current events and programming from the Philippines.
- c. The following are schools and/or conferences where registrations were made:
  - 1) CMGMC Labor & Relations Seminar - June 11. Attending: HR Technician Diane Gruber.
- d. The minutes from the Utilities Commission's June 8 Regular Meeting and the June 29 Special Meeting.

City Administrator Brethorst also noted that the Parks and Recreation Board is in support of a splash pad. The rough cost estimate is approximately \$175,000. The Board is recommending the cost be shared equally between the City General Fund, Parks and Recreation Fund, and Community Fund Raising. Additional information will be presented at a future meeting.

**A.I. #10 ADJOURNMENT**

A motion was made Mr. Klasen, seconded by Mr. Thieschafer and unanimously carried that the meeting be adjourned at 8:05 p.m.

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PATRICIA HAASE – CITY CLERK