

**MELROSE CITY COUNCIL
REGULAR MEETING
THURSDAY, JUNE 18, 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. 2015-26 - Donation from Casey's General Store
 - 2) Resolution No. 2015-28 – Donation from the Melrose Lions & Melrose Electric
 - 3) Resolution No. 2015-29 – Donation from VFW Post 7050
 - 4) Resolution No. 2015-30 – Donation from VFW Post 7050
 - 5) Resolution No. 2015-33 – Donation from the Melrose Lions
 - e. Gambling Resolution:
 - 1) Resolution No. 2015-27 – Church of St. Mary's
 - f. Fire Department Leave of Absence
 - g. Military Leave of Absence - Police/Fire Departments
 - h. Part-Time Police Officers Resignations
 - i. Grass Cutting Notice
5. Public Hearing
 - 6:00 a. Case No. 2015-701 – Petition for the Vacation of that Part of Undeveloped 1st Street NE Located in Borgerdings Addition to Melrose Between 7th Avenue NE and 8th Avenue NE and the Alley Located in Block 2 in Borgerdings Addition to Melrose in the City of Melrose, Stearns County, Minnesota
6. Reports
 - a. Police Department Monthly
 - b. Planning and Zoning Commission Meeting
 - c. City Attorney Report
7. Action Items
 - a. LMCIT Insurance Quote
 - b. Consideration of Proposed Resolution No. 2015-31, A Resolution [Approving or Denying] Case No. 2015-701 – Petition for the Vacation of that Part of Undeveloped 1st Street NE Located in Borgerdings Addition to Melrose Between 7th Avenue NE and 8th Avenue NE and the Alley Located in Block 2 in Borgerdings Addition to Melrose in the City of Melrose, Stearns County, Minnesota

- c. Consideration of Proposed Resolution No. 2015-32, A Resolution [Approving or Denying] Case No. 2015-100 – Application for Consideration of a Planning Request to the City of Melrose from Francis H. Laumeyer for a Variance for Parcel 66.37316.0000 Located at 312 2nd Avenue SE for a Side Yard Fence Encroachment
 - d. Police Officer Hire
 - e. Streets/Parks Supervisor Hire
 - f. Kraft Drive SE Resurfacing Improvement Project
 - * g. Street/Parks Worker Hire
8. Old Business
- a. Pavement Management Plan
9. New Business
10. Informational Items
- a. Utilities Commission Meeting Minutes
 - b. MADA/COC Meeting Minutes
 - c. LMC Correspondence – 2016 Membership Dues
 - d. Schools and Conferences
 - e. MAOSC Thank You
 - f. Governor Dayton Correspondence
11. Adjournment

* Amendment

**MELROSE CITY COUNCIL
REGULAR MEETING
THURSDAY, JUNE 18, 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, June 18, 2015 at 6:00 p.m. at the Melrose City Center pursuant to due notice being given thereof. Present were Council Members Jenny Mayers, Tony Klasen, Dick Christenson, Josh Thieschafer and Mayor Joe Finken, City Administrator/Treasurer 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. Christenson, seconded by Mr. Klasen and unanimously carried to approve the agenda as amended.

A.I. #3 OPEN FORUM

Council Member Mayers commented on the upcoming Riverfest Celebration. Ms. Mayers provided an overview of the events that will take place during the celebration.

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 May 21 Regular Meeting.
- b. list of bills in the amount of \$144,893.53. (See attached list)
- c. list of investments for the month of May. (See attached list)
- d.
 - 1) Donation Resolution No. 2015-26, donation in the amount of \$100 from the Casey's General Store towards the Melrose Ambulance Department.
 - 2) Donation Resolution No. 2015-28, donation in the amount of a stove in the amount of \$650 from Melrose Lions, and materials and labor for the installation of the stove from Melrose Electric at an approximate cost of \$600.
 - 3) Donation Resolution No. 2015-29, donation in the amount of \$3,000 from Melrose VFW Post 7050 towards the future purchase of flags for the Memorial Day display and memorials.
 - 4) Donation Resolution No. 2015-30, donation in the amount of \$300 from Melrose VFW Post 7050 for the CentraCare Health Melrose Harvest Celebration.
 - 5) Donation Resolution No. 2015-33, donation in the amount of \$250 from the Melrose Lions to the City of Melrose for marketing purposes for the Riverfest Celebration.
- e. Gambling Resolution:
 - 1) Resolution No. 2015-27, Resolution Approving Gambling License to the Church of St. Mary's for an exemption from lawful gambling license to conduct a bingo on Sunday, November 1, 2015 at 203 5th Avenue SE in Melrose.

- f. Ben Ellering has requested a one year leave of absence from the Fire Department effective June 2, 2015. Mr. Ellering has recently moved out of the required response area. The Council to take action approving Mr. Ellering's leave of absence. With the most recent hiring of five firefighters, the Department is at 30 members.
- g. Police Officer Matt McDonald has requested a Military Leave of Absence (MLOA) from the Police Department and the Fire Department effective August 18, 2015 until December 17, 2015. Additional information is provided under separate cover. The Council to take action approving Mr. McDonald's MLOA.
- h. Part-time Police Officer Kyle Hartigan has submitted his letter of resignation effective June 1, 2015. Part-time Police Officer Dean Jungles has also submitted his resignation from the Police Department effective June 11, 2015. Officers Hartigan and Jungles both worked for Melrose and Sauk Centre Police Departments. Joint recruitment efforts for part-time officers will begin in the near future.
- i. A notice has been sent by Street/Parks Supervisor Mark Maus to the property owner at 3 1st St SE requesting that the grass be cut. As per City Code 95.38, all property owners shall be responsible for the removal, cutting, or disposal and elimination of weeds, grasses, and rank vegetation or other uncontrolled plant growth on their property that, at the time of notice, is in excess of eight inches in height. It is recommended that the Council approve the destruction orders as it then becomes effective for the entire growing season, meaning that if at any time after the issuance of the notice a violation reoccurs, the City shall abate the weeds without further notification to the property owner. It should be noted that any unpaid grass cutting bills can, and will be certified against the property prior to year-end.

Council Member Klasen requested staff research the bond investments to see if perhaps it might be prudent to reallocate these funds to another type of investment.

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

AI. #5 PUBLIC HEARING

- a. Mayor Finken then opened the Public Hearing at 6:09 p.m. on Case No. 2015-701 as petitioned by Empire Memorials, Inc. ("Empire") for the vacation of that part of dedicated, but undeveloped, 1st Street NE located in Borgerdings Addition to Melrose between 7th Avenue NE and 8th Avenue NE and the dedicated, but undeveloped, alley located in Block 2 in Borgerdings Addition in Melrose for the purpose of taking public input regarding the requested road right-of-way and alley vacations and giving consideration to granting or denying approval of the requested vacations. Empire owns the only three parcels of land which abut the part of the road right-of-way of 1st Street NE requested to be vacated and Empire owns the only two parcels which abut the alley requested to be vacated. The road right-of-way vacation action request was suggested to Empire by City staff to help facilitate the exchange of identically sized parcels of property between Empire and the City to facilitate the installation of a disc golf course in the Sauk River Park. The vacation of the alley recognizes that although it was not developed or vacated, likely unknowingly the property owner constructed its manufacturing structure over the alley many years ago.

It is noted that the Streets/Parks Supervisor Maus, City staff, and Mike Nielsen of the City's engineering firm, WSB, all concur with and support the requested vacations of the road right-of-way and the alley both located in Borgerdings Addition to Melrose.

City Administrator Brethorst presented the Affidavits of Publication in the Melrose Beacon which occurred on June 3 and 10, 2015, posting which occurred on June 1, 2015, and mailing which occurred on June 5, 2015.

No further comments were forthcoming the Public hearing was closed at 6:15 p.m.

A.I. #6 REPORTS

- a. Police Officer Pat Nechanicky presented the Police Department's May report. He noted there were 289 calls for service during May 2015 compared to 354 for May 2014. A total of 11 citations were written for the month of May. The year-to-date number of calls is 1318 compared to 1024 in 2014. For the month of May 2015, the Department received 28 agency assist calls. Officer Nechanicky also provided an update on the storm shelters for the Melrose Mobile Home Parks. Dufner's Mobile Home Park will need to relocate the construction site of its storm shelter due to a main utility line, which would be costly to relocate, on the current site. Mr. Dufner will need to acquire additional land to the east. Rose Park / Melrose Community LLC park shelter is still on schedule to be completed in 2015. Officer Nechanicky also provided an update on Chief Maus' research regarding establishing decibel levels for noise ordinance violations. Officer Nechanicky noted the difficulty of enforcing this type of violation.
- b. Planning and Development Director Walz and Council/Commission Member Klasen reported on the Commission's June 8 Regular Meeting which was recessed to June 15. Mr. Walz stated that the main focus of the meeting was to review the request to the City of Melrose from Francis H. Laumeyer for a Variance for a Side Yard Fence Encroachment. The Commission also continued its review of the zoning ordinance. The anticipated completion date is fall of 2015.
- c. City Attorney Scott Dymoke reported on projects he has been working on for the City:
 - Reviewed and revised proposed power line relocation agreement between the Melrose Public Utilities Commission, Black Oak Wind LLC, and Northern States Power Company. Met with City Administrator to review proposed revisions to the agreement.

A.I. # 7 ACTION ITEMS

- a. Mayor Finken reported the City received their annual quote for general liability, errors and omissions, auto, equipment, and property insurance through the League of Minnesota Cities Insurance Trust (LMCIT) for the period of May 15, 2015 - May 15, 2016. The total quote is \$76,097 from \$79,601 for the 2015-2016 coverage, resulting in a 4.6% reduction in premium cost. The cost for the premium is shared between the General at 42% and Utility Funds at 58%.

The decreased premium is due to several factors; most importantly, it reflects a strong safety and claim rating. Over the past year, the City added new vehicles and removed old ones and the City added coverage for its signs, and a new generator was purchased and located at the Wastewater Treatment Facility

The City's insurance coverage has a \$5,000 deductible, \$15,000 aggregate. The City needs to decide whether or not to waive the statutory tort liability limits. The decision to waive or not to waive the statutory limits has the following effects:

1. If the City does not waive the statutory limits, an individual claimant would be able to recover no more than \$500,000 on any claim to which the statutory limits apply. The total which all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000. These statutory tort limits would apply regardless of whether or not the City purchases the optional excess liability coverage.
2. If the City waives the statutory tort limits and does not purchase excess liability coverage, a single claimant could potentially recover up to \$1,500,000 on a single occurrence. The total which all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to \$1,500,000 regardless of the number of claimants.
3. If the City waives the statutory tort limits and purchases excess liability coverage (\$1 million for \$11,099), a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total which all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants. In the past the City has not purchased the excess liability coverage.

In the past, the City has chosen Option 2.

A motion was made by Mr. Thieschafer, seconded by Mr. Klasen and unanimously carried concurring with the Utilities Commission approving the insurance quote of \$76,097, to waive the monetary limits on municipal tort liability, to keep the deductible at \$5,000/\$15,000, and not purchase excess liability coverage.

- b. Mayor Finken stated that, based on input received during the public hearing and information obtained from the planning report and other documents and sources, the Council is to consider taking action on proposed Resolution No. 2015-31, A Resolution [Approving or Denying] Case No. 2015-701 – Petition for the Vacation of that Part of Undeveloped 1st Street NE Located in Borgerdings Addition to Melrose Between 7th Avenue NE and 8th Avenue NE and the Alley Located in Block 2 in Borgerdings Addition to Melrose in the City of Melrose, Stearns County, Minnesota or a similar document. If the Council decides to approve the request, it must determine that the municipal property proposed to be vacated does not and will not serve any present or future public purpose. In addition, it must be able to substantiate a finding that the vacation is “in the interest of the public” meaning the public must benefit, in some manner, from the vacation.

City staff had consulted with the City engineer and they were in agreement that the roadway did not serve a present or future public purpose and no longer needs to be retained by the City. It is also the position of City staff including the Streets and Parks Supervisor, City Administrator, Planning and Development Director and Police Chief by vacating that part of the undeveloped road right-of-way of 1st Avenue NE and the alley in Block 2 will best serve the interest of the residents of the City and benefit the public through the provision of additional park and recreational space in general and enhances disc golf offerings in particular. The Planning and Zoning Commission, at its June 15 meeting, reviewed the vacation request and based on the information presented it is their recommendation that the Council approve the request.

A motion was made by Ms. Mayers adopting Resolution No. 2015-31. A Resolution Approving Case No. 2015-701 - Petition for the Vacation of that Part of Undeveloped 1st Street NE Located in Borgerding's Addition to Melrose Between 7th Avenue NE and 8th Avenue NE and the Alley Located in Block 2 in Borgerding's Addition in Melrose in the City of Melrose, Stearns County, Minnesota contingent upon Council review of the final prepared resolution. The motion was seconded by Mr. Christenson with a roll call vote recorded as follows:

FOR: Council Members Mayers, Christenson, Klasen, Thieschafer, and Mayor Finken

AGAINST: None

- c. Mayor Finken stated that at its meeting on June 15, which was recessed from June 8, the Planning and Zoning Commission, acting as the Board of Adjustments and Appeals, held a Public Hearing on Case No. 2015-100 – Application for Consideration of a Planning Request to the City of Melrose from Francis H. Laumeyer for a Variance for Parcel 66.37316.0000 Located at 312 2nd Avenue SE for a Side Yard Fence Encroachment. The minimum three-foot setback for a fence from the property line requirement is stipulated by **Section 1606.01. General Fence and Wall Standards** of City of Melrose Zoning Ordinance No. 1989-1-A, as amended, and adopted by reference as Chapter 153 of the City of Melrose Code of Ordinances. The Variance is being requested to accommodate the proposed professional installation at Mr. Laumeyer's cost of a four-foot high chain link fence located on a foot-wide concrete "curb". The proposed fence would be placed on Mr. Laumeyer's property to-be-acquired from Macario Bravo. It would be placed against the new property line he would share with Mr. Bravo the owner of the north abutting Parcel 66.37317.0000 at 204 3rd St SE. Currently, Mr. Laumeyer has a north side yard of less than two feet from his house while Mr. Bravo has a south side yard of approximately 11.9 feet from his house and attached garage. After several years of negotiations, at least one court session and several meetings with a mediator, Mr. Bravo is willing to sell 4.5 feet of his property to Mr. Laumeyer so that each of these two property owners will have a side yard setback of approximately 6.0 feet as required by the previously cited City Zoning Ordinance. The installation of the chain link fence is identified as a property settlement term in Exhibit 1 of Stearns County Court File No. 73-CV-14-5803 meaning the approval of the Variance for the encroachment of the fence into the three-foot setback is necessary for the property transfer to proceed.

The legal description of Parcel 66.37316.0000 for which the encroachment Variance is requested is:

Lots Nine (9) and Ten (10) in Block Thirty-nine (39) in the Townsite (now City) of Melrose, according to the plat and survey thereof on file and of record in the Office of the County Recorder in and for Stearns County, Minnesota.

The Case No. 2015-100 – Application for Consideration of the Planning Request to the City of Melrose from Francis H. Laumeyer for a Variance for Parcel 66.37316.0000 Located at 312 2nd Avenue SE for a Side Yard Fence Encroachment provides information regarding the request for the Variance. The planning report addresses the background, basis for and details of the Variance request. In addition, it contains the required *Standards for Granting a Variance* as identified in the previously cited City Zoning Ordinance upon which the Commission, and also the Council, is to base its decision. The Planning and Zoning Commission determined that the Variance request met the established standards for approval and recommended to the Council approval of the Variance request subject to the following conditions.

- Completion at Mr. Laumeyer's expense of a new survey following his acquisition of a 4.5 foot by 60 foot parcel of property from Mr. Bravo including the placement of property corner pins.
- Professional installation at Mr. Laumeyer's expense of a foot-wide concrete "curb" on Mr. Laumeyer's property to be acquired by Mr. Bravo along the new, shared property line.
- Professional installation at Mr. Laumeyer's expense of a 4.0 foot tall chain-link fence to be centered in the foot-wide concrete "curb".
- All costs to be incurred by Mr. Laumeyer

Director Walz presented correspondence from Joseph Krueger with Brown & Krueger the attorney representing Macario Bravo. The letter noted that the terms of the Agreement call for Mr. Laumeyer to apply for a Variance to place and construct a fence directly on the negotiated boundary line. Although the City Ordinance requires that any fence be placed at least three feet off the property line; however, in this case, enforcement of the ordinance would create a hardship on both parties, due to the small area involved and likely undo the negotiated Settlement Agreement. The purpose of the letter was to advise the Planning and Zoning Commission that Mr. Bravo fully supports the granting of the requested Variance. Mr. Bravo requests that both the Planning and Zoning Commission and the Council vote in favor of Mr. Laumeyer's Variance request. The Commission, at its June 15 meeting, adopted Resolution No. P&Z 2015-001, A Resolution Approving Case No. 2015-100 – Application for Consideration of a Planning Request to the City of Melrose from Francis H. Laumeyer for a Variance for Parcel 66.37316.0000 Located at 312 2nd Avenue SE for a Side Yard Fence Encroachment.

Mr. Klasen introduced Resolution No. 2015-32, A Resolution Approving Case No. 2015-100 – Application for Consideration of a Planning Request to the City of Melrose from Francis H. Laumeyer for a Variance for Parcel 66.37316.0000 Located at 312 2nd Avenue SE for a Side Yard Fence Encroachment. The motion was seconded by Mr. Christenson with a roll call vote recorded as follows:

FOR: Council Members Klasen, Christenson, Thieschafer, Mayers, and Mayor Finken

AGAINST: None

- d. Mayor Finken reported that 37 applications were received for the full-time Police Officer position being vacated by John Hiltunen. Training & Education (T&E) scoring was conducted on all 37 applicants. The top seven were selected for interviews, of which two backed out. Police Chief Craig Maus, City Administrator Brethorst, HR Coordinator Diane Gruber, and Sauk Centre Police Chief Bryon Frederichs conducted the five interviews. Of those five, the top three candidates, Aaron Baros, Jeffrey Eggert, and Michael Salaraz, are being backgrounded by Chief Maus. It is the recommendation to hire Aaron Baros at Start on the wage scale, contingent upon a successful psychological and physical exam.

A motion was made by Ms. Mayers, seconded by Mr. Christenson and unanimously carried approving the hire of Aaron Baros at Start on the wage scale contingent upon and a successful psychological and physical exam.

- e. Mayor Finken noted that seven applications were received for the Streets/Parks Supervisor position that is being vacated on August 28, 2015 due to the retirement of current Supervisor Mark Maus. Training & Education (T&E) scoring was conducted on all seven applicants. Interviews were conducted by Streets/Parks Supervisor Maus, City Administrator Brethorst, Waite Park Public Works Director, HR Coordinator Gruber, and Ad Hoc Labor & Personnel Committee Member Jenny Mayers. It is the recommendation to hire Gary Middendorf to the position of Street/Parks Supervisor upon the retirement of current Supervisor Maus at Step 4 on the wage scale, which is \$59,204.07 annually, with a proposed six-month evaluation (February 2016) and, if favorable, an increase to Step 5.

A motion was made by Mr. Thieschafer, seconded by Ms. Mayers and unanimously carried approving the hire of Gary Middendorf as the Streets/Parks Supervisor upon the retirement of current Streets/Parks Supervisor Maus with the salary to be at Step 4 on the wage scale with a proposed six-month evaluation (February 2016) and, if favorable, an increase to Step 5.

- f. Mayor Finken stated that bids for the Kraft Drive SE resurfacing projects were received on Wednesday, June 10, 2015 at 3:00 p.m. at the Melrose City Center. Six bids were received. The low bid was received from Central Specialties, Inc. of Alexandria, Minnesota in the amount of \$209,628.40. WSB & Associates has reviewed the bids for mathematical accuracy. WSB is recommending the Council give consideration to awarding the bid to Central Specialties, Inc. based on the results of the bids received.

A motion was made by Mr. Klasen, seconded by Mr. Christenson and unanimously carried awarding the bid to Central Specialties, Inc. in the amount of \$209,628.40.

- g. Streets/Parks Worker Gary Middendorf has accepted the Streets/Parks Supervisor position; therefore, staff is recommending that Council give consideration to a one-for-one replacement for this position and authorize staff to advertise for the position.

A motion was made by Ms. Mayers, seconded by Mr. Klasen and unanimously carried approving a one-for-one replacement and posting for a Streets/Parks Worker.

A.I. #8 OLD BUSINESS

- a. Mayor Finken stated that the Council has reviewed two proposals for a Pavement Management Plan. At their May meeting, direction was given to contact additional references for both proposals. References were checked for both projects. Two additional reference checks were made for WSB and three for WSN. All references were positive on the product and they all stated that it was and is of value. The references spoke to the fact that cost is a factor; however, it is a good product to have. Another note was that it needs to translate into a plan of action versus just a simple assessment of the roads. Without the plan of action to accompany it, it would not be as valuable.

As it is not budgeted, the funds to pay for this would come out of cash reserves.

Council Member Mayers stated that by making the investment now they would be better prepared in the future when prioritizing road improvements and optimizing on the investment. She believes the money would be well spent and would provide a benefit to the community. Council Member Klasen concurred; however, since it was not included in the budget, he recommended placing the Pavement Management Plan in the Five Year Capital Improvement Plan.

After further discussion, a motion was made by Ms. Mayers to contract with WSB & Associates for the Pavement Management Plan for the amount of \$19,514. The motion was seconded by Mr. Christenson with a roll call vote recorded as follows:

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

A.I. #9 NEW BUSINESS

None

A.I. #10 INFORMATIONAL ITEMS

The following informational items were discussed:

- a. The minutes from the Utilities Commission's May 11 Regular Meeting.
- b. The minutes from the MADA/COC's May 28 Regular Meeting.
- c. Correspondence from the League of Minnesota Cities regarding membership dues.
- d. The following is a list of upcoming schools and conferences:
 - 1) Region III MCFOA Conference on June 10, 2015 in Alexandria. Attending: City Clerk Patti Haase. Registration fee: \$20.00
- e. Thank You Note from the Minnesota Association of Small Cities.
- f. Correspondence from Governor Mark Dayton regarding the letter of support for dedicated state funding for city streets in cities with less than 5000 residents.

A.I. #11 ADJOURNMENT

A motion was made by Mr. Klasen, seconded by Mr. Thieschafer and unanimously carried that the meeting be adjourned at 7:05 p.m.

PATRICIA HAASE - CITY CLERK