

**MELROSE CITY COUNCIL  
REGULAR MEETING  
THURSDAY, AUGUST 15, 2019 – 5:30 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. Ambulance Department Bad Debt
  - e. Fire Department Bad Debt
  - f. EMT Hire
  - g. Fire Department Hires
  - h. Pay Voucher #1 – County Road 65 Sidewalk Improvements
  - \* i. Gambling Resolution:
    - 1) Resolution No. 2019-43, Friends to Restore St. Mary's
5. Reports
  - a. Police Department Monthly
  - b. City Attorney Report
  - c. General Fund Financial Quarterly Report
  - d. City Administrator
6. Action Items
  - a. Daylight Court Assessment
  - b. Community Festival/Temporary On Sale Liquor License
  - c. Police Department Hire
  - d. Streets/Parks and Water & Wastewater Maintenance Worker Job Description
  - e. Finance Director Pay Adjustment
  - f. Resolution No. 2019-42, Supporting 2019 Minnesota Broadband Grant Application
  - \* g. County Road 65 Speed Limit Reduction
7. Old Business
8. New Business
9. Informational Items
  - a. Utilities Commission Meeting Minutes
  - b. Pay Equity Non-Compliance
10. Adjournment
- \* Amendments

**MELROSE CITY COUNCIL  
REGULAR MEETING  
THURSDAY, AUGUST 15, 2019 – 5:30 P.M.**

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

The Melrose City Council met in a Regular Meeting on Thursday, August 15, 2019 at 5:30 p.m. at the Melrose City Center pursuant to due notice being given thereof. Present were Council Members Justin Frieler, Mark Hill, Travis Frieler, Mayor Joe Finken, City Administrator Colleen Winter, and City Clerk Patti Haase. Council Member Tony Klasen was absent. Mayor Finken presided thereat.

The Council then recited the Pledge of Allegiance.

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

A motion was made by Mr. Justin Frieler, seconded by Mr. Travis Frieler 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 July 8 Special Meeting and the July 18 Regular Meeting.
- b. List of bills in the amount of \$777,458.69. (See attached list)
- c. List of investments for the month of July. (See attached list)
- d. Ambulance Department uncollectible accounts in the amount of \$19,499.92 has been submitted to Revenue Recapture, collections, or written off. A complete list of accounts is on file at the City Office. There was also a total of \$3,400.31 collected from account holders during the second quarter.
- e. Fire Department uncollectible accounts in the amount of \$450 has been submitted to Revenue Recapture, collections, or written off. A complete list of accounts is on file at the City Office. There was a total of \$325 collected from account holders during the second quarter.
- f. Ambulance Coordinator Jenn Tschida is requesting Council approval to hire Gina Eggert contingent upon passing her pre-employment physical. Ms. Eggert has previously served on the Ambulance Department for four years, and it is recommended that she would start with her four years of service.
- g. Fire Chief Tom Budde is requesting Council approval to hire Chris Housman and Carlos Aguilar, contingent upon successful background and pre-employment physicals.
- h. The Council gave consideration to Pay Voucher No. 1 from Worms Lumber & Ready Mix for the 2019 County Road 65 Sidewalk Improvements. The total of Pay Voucher No. 1 is \$86,689.26 less retainage of \$4,334.46 for an amount due of \$82,354.80. Pay Voucher No. 1 has been reviewed by WSB Engineering and is hereby recommending approval.

- i. Gambling Resolution No. 2019-42, Resolution Approving Gambling License to Friends to Restore St. Mary's for an exemption from lawful gambling license to conduct a raffle on October 3, 2019 at the Sauk River Park located 206 5<sup>th</sup> Avenue NE, Melrose, MN.

A motion was made by Mr. Hill, seconded by Mr. Travis Frieler and unanimously carried to approve the Consent Agenda items.

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

- a. Police Chief Craig Maus presented the Police Department's July report. He noted there were 346 calls for service during the month, compared to 423 for July 2018. A total of 29 citations were written for the month of July. The year-to-date number of calls is 2,666 compared to 3,012 in 2018. For the month of July 2019, the Department received 26 agency assist calls. Chief Maus stated that the nuisance violations and the ATV ordinance will be brought to the Council at the September meeting. Chief Maus thanked all who attended the Night to Unite gathering and for all those who helped with the event.
- b. City Attorney Scott Dymoke reported on projects he has been working on for the City:
  - Nuisance Abatement: Reviewed nuisance reports from Chief Maus. Identified persons holding property interests in properties with nuisance conditions. Prepared service list of interested parties, hearing notice, and proposed nuisance abatement orders.
- c. Finance Director Tessa Beuning presented the General Fund Financial Second Quarter Report. Director Beuning noted that the General Fund revenue is at 31% and the expenditures are at 46%. Revenues are low because a portion of the first half payments for property tax revenue and local government aid are received in July. Property Tax & LGA together make up 67% of the revenue budget. Ms. Beuning stated that the Ambulance Revenue is at 55% and the Expenditures are at 45%. Both the revenue and expenditures are on track. Administrative fee transfers to the General Fund are done at year end. The Revenue for the Fire Department is only at 13%. This is because 90% of the budgeted revenue comes from Fire Contract charges from the townships and the City's contribution and is not collected until December. The Department received funds for training reimbursement from the State of Minnesota, as well as proceeds on the sale of the 1984 Chevy. The Fire Department has adequate reserve funds to meet operational costs until contract revenue is received. The expenditures are at 18% of the budget, due to salaries and building rent not being paid until year end.
- d. City Administrator Winter reported that she met with Jodi Teich, Stearns County Engineer, to discuss the bridge project and the rock arch rapids. Ms. Winter noted that information for the Kraft lot has been sent to two different development groups. Ms. Winter stated that she has begun discussions with the Department Heads about succession planning and gaining an understanding of when staff may be considering retiring. Ms. Winter also noted that the City of Melrose has not completed a Strategic Plan for 10 years. The last one was done in 2009. Ms. Winter is recommending that the City undertake this endeavor.

Ms. Winter stated that during her conversations with the business community, the lack of housing options is a topic that comes up frequently. Ms. Winter is recommending this be an agenda item at the September regular meeting.

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

- a. Mayor Finken stated that Harland Hector purchased two tax-forfeited properties in Daylight Court, Lots 6 and 7 in Block 1. Mr. Hector purchased these lots for \$1,900 each and stated he was unaware of any assessments on them. On the County website, it specifically states under Special Assessments to be recertified after Sale: Contact the City of Melrose. On July 26, 2016, the City made a motion to reduce the assessments in Daylight Court as follows:

Daylight Court, Block 1, Lot 6 – waive interest and reassess at \$25,462

Daylight Court, Block 1, Lot 7 – waive interest and reassess at \$25,462

At the Council's June 13 meeting, they further defined the assessment policy as follows:

Assessments under \$20,000 shall be paid in full immediately and an option be given to those with assessments greater than \$20,000 to be assessed over a seven-year period at an interest rate of 2% over the average municipal bond yield. If a building permit is not pulled within two years of purchase, the balance is due in full. If the property is re-sold, the assessments are due immediately upon sale of the property. Mr. Hector would like to build a twin home and combine Lots 6 and 7 and is requesting that the assessment be reduced to \$12,000.

MADA, at its August 8 meeting, recommended the assessments as per the prior arrangement which states if Lot 6 and 7 are merged, waive interest for both lots and waive assessment on Lot 6 and reassess newly merged lot at \$25,462.

A motion was made by Mr. Hill, seconded by Mr. Travis Frieler and unanimously carried concurring with MADA that the assessments remain as per the prior arrangement which states if Lot 6 and 7 are merged, waive interest for both lots and waive assessment on Lot 6 and reassess newly merged lot at \$25,462.

- b. The Council gave consideration to approval of a Community Festival License – Public Property / Temporary On Sale Liquor License to the New Munich Jaycees. Police Chief Maus and City Administrator Winter have reviewed the Community License Application and recommend approving the application. Approval is contingent upon state approval, receiving fees and necessary liquor liability insurance, and liability insurance documentation.

A motion was made by Mr. Hill, seconded by Mr. Justin Frieler and unanimously carried approving the Community Festival License – Public Property / Temporary On Sale Liquor License to the New Munich Jaycees contingent upon state approval, and that adequate insurance coverage is obtained.

- c. At the Council's June 20 meeting, approval was given for staff to begin the hiring process to backfill the full-time Police Officer position vacated by Officer Jeff Eggert. Twenty-two applications were received. Four applicants were interviewed on August 1.

It is the Committee's recommendation that Allyssa Engfer be hired to fill the position. The Committee recommends Ms. Engfer be hired at the Start step on the pay scale.

A motion was made by Mr. Travis Frieler, seconded by Mr. Justin Frieler and unanimously carried approving the hire of Ms. Engfer as a full-time Police Officer at the Start step on the pay scale contingent upon successful completion of a background check, psychological evaluation, and pre-employment physical and drug test.

- d. Mayor Finken stated that when looking for the replacement of the Streets/Parks and Water/Wastewater Maintenance Worker position, the job description was reviewed and revised to more accurately reflect the duties of the position.

A motion was made by Mr. Hill, seconded by Mr. Justin Frieler and unanimously carried adopting the revised job description.

- e. Mayor Finken stated that From March 1, 2019 – June 17, 2019, Finance Director Beuning was appointed the Interim City Administrator where she assumed the City Administrator duties along with her full-time Finance Director position.

City Administrator Winter is proposing that Ms. Beuning receive compensation based on Step 5 on the City Administrator pay scale during the time period she served as the Interim City Administrator. This step is based on prior appointments of supervisor positions and in conformance with the current wage scale. The difference would be \$6.92 per hour for a total compensation of \$4,207.36.

Ms. Beuning has demonstrated exceptional work ethic and the willingness to fulfill the duties of the Interim City Administrator position during a time when the City was dealing with major projects including the startup of Jennie-O Turkey Store (JOTS) and presenting to the LCCMR Board regarding the rock arch rapids project.

The Ad Hoc Committee met on August 1 and recommends the above compensation as described.

A motion was made by Mr. Travis Frieler, seconded by Mr. Justin Frieler and unanimously carried approving the pay adjustment.

- f. Mayor Finken stated that Arvig Communications will be submitting a Border-to-Border grant application with the Office of Broadband at the State of Minnesota to bring fiber out to the I-94 Industrial Park. Once the application is submitted, Arvig should find out in December or January whether or not they are awarded the funding.

The application process is competitive and those applications that have City financial participation will rank higher than those without City participation. Arvig is also going to be combining this request with another residential project to make the application stronger. City Administrator Winter is recommending that the City participate in 25% of the cost, resulting in \$10,319 and also share the cost of a joint trench. She has spoken to Electrical Supervisor Avelsgard about this matter already. The funding would come from TIF 1-7. It is allowable to spend up to 20% on out-of-district expenses. The City has about \$13,000 in that fund that can be used.

At MADA's August 8 meeting, the Board unanimously approved support of the Broadband application.

A motion was made by Mr. Hill, seconded by Mr. Travis Frieler and unanimously carried adopting Resolution No. 2019-42, Supporting 2019 Minnesota Broadband Grant Application.

- g. Jennie-O Turkey Store has requested looking into reducing the speed limit along County Road 65. Due to increased pedestrian and vehicle traffic, it is proposed to reduce the speed from 55 miles per hour to 30 miles per hour. City Administrator Winter discussed this with Stearns County Engineer Jodi Teich. If the City would like to see a change in the speed limit, they would need to submit a request to Stearns County.

A motion was made by Mr. Travis Frieler, seconded by Mr. Hill and unanimously carried requesting to reduce the speed from 55 miles per hour to 30 miles per hour on County Road 65.

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

None

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

None

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

The following informational items were reviewed:

- a. The minutes from the Utilities Commission's July 8 Regular Meeting.
- b. The City/Utility was notified of their non-compliance for the 2018 Pay Equity Report, relating to the exceptional service pay test. This related to the longevity pay that Melrose offers to full-time employees who have completed 15 and 20 years. There are significantly more males receiving this pay compared to females. A letter was sent to the Minnesota Management and Budget office, along with a copy of our Personnel Policy, stating that this pay is available to all full-time employees, and it just happened that many of the long-term female employees have retired and their replacements have not yet earned the years of service requirement. Finance Director Beuning spoke with the Pay Equity representative and anticipates this should reverse their non-compliant finding.

**A.I. #10 ADJOURNMENT**

A motion was made by Mr. Justin Frieler, seconded by Mr. Travis Frieler and unanimously carried that the meeting be adjourned at 6:00 p.m.

---

PATRICIA HAASE – CITY CLERK