

**MELROSE CITY COUNCIL
REGULAR MEETING
THURSDAY, DECEMBER 12, 2019 – 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. Tobacco Licenses
 - e. City Administrator Step Increase
 - * f. Donation Resolution:
 - 1) Resolution No. 2019-59, Donation from Melrose American Legion Post 101 to the Melrose Fire Department
5. Reports
 - a. New Munich Jaycees
 - b. Police Department Report
 - c. City Attorney Report
 - d. Development Director Report
 - e. City Administrator Report
6. Public Hearings
 - a. 2020 Budget and Levy / Resolution No. 2019-56, Resolution Adopting the Tax Levy and 2020 Budget / 2020-2024 Five Year Capital Improvement Plan (Truth in Taxation Presentation)
8. Old Business
 - a. Rock Arch Rapids / Dam / Bridge (RDB)
7. Action Items
 - a. Resolution No. 2019-57, Negative Declaration on the Need for an Environmental Impact Statement for the Church of St. Mary, Melrose, Demolition EAW, and Approval of Distribution of Notice of Decision
 - b. Ordinance No. 12-12-2019, An Ordinance Summarizing and Reaffirming Fees for City Licenses, Permits and Services, Establishing a Schedule of Fines, and Providing for Subsequent Review, Modification and Amendment

- c. City Center Skylight Replacement
- d. Ambulance Department EMT Wage Increase
- e. Resolution No. 2019-58, Committing Fund Balance Ambulance Vehicle Designation
- f. Quote for Police Department Vehicle
- ** g. ~~Sprint Lease Agreement~~
- * h. Resolution. No. 2019-60, Resolution Rescinding Resolution No. 2019-37

9. New Business

- a. Fire Department Officer Appointments

10. Informational Items

- a. 2020 Board, Committee and Commission Applications
- b. Utilities Commission Meeting Minutes

11. Adjournment

* Amendments

** Delete

**MELROSE CITY COUNCIL
REGULAR MEETING
THURSDAY, DECEMBER 12, 2019 – 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, December 12, 2019 at 6:00 p.m. at the Melrose City Center pursuant to due notice being given thereof. Present were Council Members Tony Klasen, Justin Frieler, Travis Frieler, Mark Hill, and Mayor Joe Finken, City Administrator Colleen Winter, 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. Hill, seconded by Mr. Justin 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 Commission's November 18 Special Joint Meeting with the Commission, the November 21 Regular Meeting, and the November 21, Special Meeting
- b. List of bills in the amount of \$297,457.40 (See attached list)
- c. List of investments for the month of November. (See attached list)
- d. The Council to give consideration to approval of the following tobacco licenses:
 - 1) Coborn's Inc. – Coborn's Store
 - 2) Melrose 1 Stop
 - 3) Casey's General Store #2650
 - 4) SPIRITZ Liquor, Inc.
 - 5) Coborn's Inc. – Coborn's Liquor
 - 6) Dollar General
 - 7) Casey's General Store #3657

- Minnesota law requires cities to obtain proof that all license holders provide workers' comp insurance for their employees. Also, the City must obtain licensees' social security numbers, and Minnesota and federal tax identification numbers for the Department of Revenue's use. The licenses are effective January 1, 2020.
- e. On December 17, 2019, City Administrator Colleen Winter will have completed six months of employment. She is eligible for a step increase, per the terms of her hire letter. A review will be conducted at a joint special meeting held on December 12, 2019. Contingent on a favorable review, it is recommended to approve a step increase from Step 4 to Step 5 on the pay scale.
 - f. Resolution No. 2019-59 Donation from Melrose American Legion Post 101 in the amount of \$500 to the Melrose Fire Department

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

A.I. #5 REPORTS

- a. Bobbi Loch with the New Munich Jaycees addressed the Council regarding the organization. The New Munich Jaycees are looking for new members. In order for the Jaycees to continue hosting the numerous events they will need to recruit new members. If you are interested, please contact her or the New Munich Jaycee organization.
- b. Police Chief Craig Maus presented the Police Department's November monthly report. He noted there were 320 calls for service during the month, compared to 384 for November 2018. A total of 21 citations were written for the month of November. The year-to-date number of calls is 3,987 compared to 4,813 in 2018. For the month of November 2019, the Department received 22 agency assist calls.
- c. City Attorney Scott Dymoke to report on projects he has been working on for the City.
 - Sprint Lease: Participated in conference call with City Administrator and Sprint representatives to review terms of proposed lease for antenna space on the south water tower.
- d. Development Director Lisa Atkinson provided a year in review of the Planning and Zoning Commission. Ms. Atkinson provided an update on the Building Report for the 4th quarter.
- e. City Administrator Winter reported on the following

Broadband – The City should hopefully hear before the end of the year as to whether or not Arvig was funded for Broadband out to the Industrial park. As part of that project the City will be utilizing TIF proceeds of up to \$10,800 to contribute to the project and the PUC will be trenching under I-94.

Kraft Lot – The City has been in discussions regarding the Kraft lot space. Staff continues to work towards finding a developer willing to look at the space for commercial use. We would still want to see if we could also incorporate some residential rental space.

Multi-family – Staff continues to work on addressing multi-family housing.

PUBLIC HEARING

- a. The Council held a public hearing on the 2020 Budget and Tax Levy. The public hearing is to allow public comment and questions. Revised budget information will be available at the meeting. 2020 Budget and Levy/Resolution No. 2019-56, Resolution Adopting the Tax Levy and 2020 Budget/ 2020-2024 Five Year

Capital Improvement Plan Finance Director Beuning to provide Truth in Taxation presentation.

At the September 19 meeting, the Council first reviewed the proposed 2020 Budget. The preliminary property tax levied to the County at that time was:

	Initial	
General property tax		\$1,285,000
Debt Levy:		
2008 Fire and Ambulance Station Lease Revenue Bonds		<u>95,000</u>
TOTAL LEVY		\$1,380,000

Since that time, the Council and staff have reviewed the budget to determine adjustments needed to arrive at a more balanced budget, as well as plan for upcoming capital needs. Based on those meetings, the general levy is proposed to remain at \$1,285,000, which is equivalent to the 2019 final levy. According to the information received from the County, the proposed tax capacity for the City is estimated at \$2,376,304. This will result in an estimated tax capacity rate of 58.07%, which is a decrease from 2019. The 2019 tax rate was 62.43%, resulting in a tax capacity rate decrease of 4.36% from 2019.

According to law, the City now must certify the levy as set in September or it may reduce the levy. It cannot set a levy higher than the proposed levy, which was certified with the County Auditor in September. The proposed general levy of \$1,285,000 plus debt levy of \$95,000 results in a total levy of \$1,380,000.

	Final	
General property tax		\$1,285,000
Debt Levy:		
2008 Fire and Ambulance Station Lease Revenue Bonds		<u>95,000</u>
TOTAL LEVY		\$1,380,000

The budget and levy to be adopted at the hearing to meet the State law requirements. After the final levies are adopted, they must be certified with the County Auditor prior to December 31.

Mr. Hill introduced Resolution No. Resolution No. 2019-56, Resolution Adopting the Tax Levy and 2020 Budget / 2020-2024 Five Year Capital Improvement Plan (See attached resolution.) The motion was seconded by Mr. Travis Frieler with a roll call vote recorded as follows:

FOR: Council Members Hill, Travis Frieler, Justin Frieler, and Mayor Finken
AGAINST: Council Member Klasen

A motion was then made by Mr. Klasen, seconded by Mr. Justin Frieler and unanimously carried to adopt the 2020-2024 Five Year Capital Improvement Plan.

The public hearing was closed at 6:31 p.m.

A.I. #7 ACTION ITEMS

- a. Mayor Finken stated that at the last regular Council meeting on November 21, 2019 the Council postponed a decision on the declaration of need for an EIS citing additional analysis needed related to cumulative potential effects and additional historical documentation.

Ms. Jody Martinson with WSB stated that the public comment period ended on October 30, 2019. The preparation of the EAW and comments received provided information that additional analysis was needed related to cumulative potential effects and documentation of the Church before a decision on the need from an Environmental Impact Statement (EIS) could be made. Based on the criteria established in Minnesota Rule 4410.1700, and the Finding of Fact and Conclusions, Ms. Martinson stated that the project does not have the potential for significant environmental effects to trigger the need for an EIS. Therefore, the EIS is not required for the project.

Council Member Justin Frieler introduced Resolution 2019-57 Negative Declaration on the Need for an Environmental Impact Statement for the Church of St. Mary, Melrose, Demolition EAW, and Approval of Distribution of Notice of Decision. The motion was seconded by Mr. Hill with a roll call vote recorded as follows. And finding of Facts

FOR: Council Members Hill, Justin Frieler, Travis Frieler, Klasen, and Mayor Finken

AGAINST: None

A motion was then made by Mr. Hill seconded by Mr. Travis Frieler and unanimously carried supporting the Finding of Facts as presented.

- b. Mayor Finken noted that staff has updated the 2020 Fee Schedule as per Council direction at its November 21 Budget Meeting. The Council reviewed the revisions to the 2020 Fee Schedule.

Council Member Klasen introduced Ordinance No. 12-12-2019 An Ordinance Summarizing and Reaffirming Fees for City Licenses, Permits and Services, Establishing a Fee Schedule of Fines and Providing for Subsequent Review, Modification and Amendment. Fees to be set as per Exhibit A. (See attached ordinance.) The motion was seconded by Mr. Justin Frieler with a roll call vote recorded as follows:

FOR: Council Members Klasen, Justin Frieler, Travis Frieler, Hill, and Mayor Finken

AGAINST: None

- c. Mayor Finken stated that the City received a quote to replace the skylight at City Center in 2018. Inspections of the existing skylight show significant breakdowns in the fibers and while we do not have any leaks at this time the skylight needs to be replaced before we end up with any leaks or break downs. The amount to replace the skylight is \$74,243.00. WL Hall indicated that they would honor the original quote if the skylight was ordered in 2019. This was on the Capital improvement plan for 2020. The City would be responsible for ½ the costs or \$37,121.50. and the other half would be covered by the PUC. The quote is included as an attachment in the packet. The new version of the skylight should have a useful life of 40-50 years. The new Skylight will have improved thermal performance over the existing skylight. The “U” value of the entire assembly will be approx. 20% better than the existing. This is due to improved thermal breaks and insulation in the new version of the product. A complete warranty against water leakage will be provided for 10 years.

A motion was made by Mr. Travis Frieler, seconded by Mr. Justin Frieler and unanimously carried concurring with the Melrose Public Utilities Commission to replace the skylight and approved the quote from WL Hall in the amount of \$74,243.00. The General Fund will be responsible for ½ the costs or \$37,121.50.

- d. Mayor Finken noted that the Ambulance Department EMTs last had an increase to their wages on 1/1/2017. Ambulance Coordinator Jenn Tschida has requested an increase of approximately 5% to be comparative to a neighboring ambulance service. The current pay scale range is \$13.39-\$16.95 per hour. The proposed pay scale effective 1/1/20 is \$14.07-\$17.81 per hour. It is recommended going forward to increase ambulance wages with the approved COLA adjustment that City employees receive.

A motion was made by Mr. Travis Frieler, seconded by Mr. Hill and unanimously carried approving the ambulance wage adjustments.

- e. Mayor Finken stated that during 2013, the Ambulance Department purchased the 2013 Ford ambulance and traded in the 2008 Road Rescue. There were not enough funds in the vehicle replacement set aside at that time, so the balance was reduced to zero. Another ambulance rig was replaced during 2017, which reduced the setaside balance to a deficit balance. The annual depreciation has been included to this setaside, but it hadn't been sufficient to make up the deficit. The Ambulance Department has been performing at a positive level and has built up their fund balances. Finance Director Beuning is proposing to commit \$150,000 from the unreserved fund balance to the ambulance vehicle replacement reserve. A new ambulance is proposed to be purchased during 2020.

A motion was made by Mr. Klasen, seconded by Mr. Justin Frieler and unanimously carried adopting Resolution No. 2019-58, Committing Fund Balance.

- f. Police Chief Maus is requesting the Council give consideration to obtain quotes for a new squad car.

A motion was made by Mr. Hill seconded by Mr. Travis Frieler and unanimously

carried authorizing Chief Maus to obtain quotes for a 2020 Ford Interceptor SUV.

- g. Deleted
- h. Mayor Finken stated that due to the City of Melrose no longer proposing a Rock Arch Rapids to replace the existing dam the Council to take action rescinding Resolution No. 2019-37 Resolution Committing To Funding Local Match For The Melrose Lake Rock Arch Rapids Project that was adopted at the June 20, 2019 Council Meeting.

Council Member Hill introduced Resolution No. 2019-60 Resolution Rescinding Resolution No. 2019-37. The motion was seconded by Mr. Travis Frieler with a roll call vote recorded as follows:

FOR: Council Members Hill, Travis Frieler, Klasen, Justin Frieler, and Mayor Finken
AGAINST: None

A.I. #8 OLD BUSINESS

- a Mayor Finken noted that at the regular October 17, 2019 City Council meeting a decision was made to proceed forth with a new 5th Avenue bridge, realignment of the river channel and repairs to the retaining walls around the dam. Ms. Jodi Martinson with WSB gave an overview of the Scope of Services that will be provided by WSB for the CSAH 13 Bridge and Channel Realignment project.

The Scope of Work was tabled until further discussion with Stearns County for a potential cost sharing of the Scope of Work.

Mr. Mike Nielson with WSB discussed the proposed bump outs. Mr. Nielson stated that although they were a suggestion the issues may be addressed by striping and signing. discussed the width of the sidewalk on the east side of the bridge and bump outs. The Council by consensus agreed to remove the bump outs from the project.

The Council next discussed the width of the sidewalk on the east side of the bridge. Mr. Travis Frieler stated that he would prefer to see the 12-foot sidewalk. Mayor Finken stated that by going with the 12-foot sidewalk opens up opportunities for park grants and safe routes to school grant.

The Council by consensus agreed to the 12-foot sidewalk on the east side of the bridge

A.I. #9 NEW BUSINESS

- a. Mayor Finken noted that according to the Fire Department Policies, Officers' terms expire every two years. The terms will expire on January 1, 2020; therefore, applications for 1st Assistant Chief, 2nd Assistant Chief, and Training Officer were accepted through October 15.

Four applications were received for the two Assistant Chief positions and three applications were received for the Training Officer position. Interviews for the Assistant Chiefs and Training Officer were conducted by the Fire Chief and Executive Fire Relief Association Executive Committee Members.

They are recommending:

Joe Woeste be appointed as 1st Assistant Chief
Carl Worms as 2nd Assistant Chief
Adam Schmidt as Training Officer.

A motion was made by Mr. Klasen seconded by Mr. Travis Frieler and unanimously carried approving the Officer appointments for 2020 and 2021.

A.I. #10 INFORMATIONAL ITEMS

The following informational items were reviewed:

- a. At the Council's first meeting in January 2020, consideration will be given to making appointments to the various boards and commissions. Terms are expiring on the following boards and commissions:
 - Public Utilities Commission – one member (three-year term)
Term expiring: Eric Seanger. Mr. Seanger is seeking reappointment.
 - Planning and Zoning Commission – two members (four-year term)
Term expiring: Jason Seanger and Kevin Thomes
 - Melrose Area Development Authority – one member (six-year term)
Term expiring: Don Brower
 - Melrose Housing and Redevelopment Authority – one member (five-year term)
Term expiring: Matt McDonald – Mr. McDonald is seeking reappointment
- b. Utilities Commission's November 18 Regular Meeting minutes

A.I. #11 ADJOURNMENT

A motion was made by Mr. Justin Frieler, seconded by Mr. Travis Frieler and unanimously carried that the meeting be adjourned at 7:30 p.m.

PATRICIA HAASE – CITY CLERK