

**MELROSE CITY COUNCIL
REGULAR MEETING
THURSDAY, SEPTEMBER 19, 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. MMUA Safety Program Contract
 - e. Office Assistant II Step Increase
 - f. Donation Resolutions:
 - 1) Resolution No. 2019-44, Donation from Minnesota Bedding LLC
 - 2) Resolution No.2019-45, Donation from The Big Birch Lake Area Charities
 - g. Gambling Resolutions:
 - 1) Resolution No. 2019-46, Melrose Area Chamber of Commerce
 - 2) Resolution No. 2019-47, Melrose Area Chamber of Commerce
 - h. Pay Voucher No. 8 – 1st Street NE & 4th Avenue NE Improvements
 - i. Pay Voucher No. 2 – County Road 65 Sidewalk Improvements
 - j. Pay Voucher No. 1 – 2019 Chip Seal Project
 - k. Toolcat
5. Presentation
 - a. Proclamation – Presentation for the 100th Anniversary of the American Legion
6. Public Hearings
 - a. Public Hearing to Abate Nuisances Pursuant To Melrose City Code Section 93.21
 - b. Public Hearing on the Progress of the Small Cities Grant Fund Community Development Block Grant (CDBG) Funding and the Fair Housing Act
7. Reports
 - a. Fire Chief Report
 - b. Police Chief Report
 - c. City Attorney Report
 - d. City Administrator Report

8. Action Items
 - a. Resolution No. 2019-48, Resolution Ordering The Abatement Of Nuisance Conditions Located At 518 4th Street SE, Melrose, MN
 - b. Resolution No. 2019-49, A Resolution Opting To Increase The Benefit Level For Firefighters Who Are Vested In The Voluntary Statewide Volunteer Firefighter (SVF) Retirement Plan
 - c. Election Judge Salary
 - d. Stearns County Intra County Mutual Aid Agreement
 - e. Ordinance No. 09-19-2019, An Ordinance Amending Chapter 76 Motorized Golf Carts and All-Terrain Vehicles
 - f. Police Department Policies

9. Old Business
 - a. Resolution No. 2019-50, Resolution Adopting Proposed Tax Levy Approving 2019 Tax Levy, Collectible in 2020

10. New Business
 - a. Potential Land Sale – Parcels 66.37010.0760 and 66.37010.0761

11. Informational Items
 - a. Utilities Commission Meeting Minutes
 - b. Schools and Conferences

12. Adjournment

**MELROSE CITY COUNCIL
REGULAR MEETING
THURSDAY, SEPTEMBER 19, 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, September 19, 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, Mark Hill, Travis Frieler, 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. Travis Frieler 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 Council's August 15 Regular Meeting and the August 15 Special Meeting.
- b. List of bills in the amount of \$533,916.60. (See attached list)
- c. List of investments for the month of August. (See attached list)
- d. The Council to give consideration approving the 2019-2020 Safety Management Program Contract between the City of Melrose and the Minnesota Municipal Utilities Association (MMUA) for their safety program. The agreement is in effect from October 1, 2019 through September 30, 2020. Total program fees have increased \$350. The fees are cost shared between the General and Utilities Funds. The Council to concur with the Commission approving the Safety Management Program Contract.
- e. On September 29, Office Assistant II Sharon Blaskowski will complete three years of service with the City. Finance Director Beuning has conducted a review and it is favorable; therefore, recommends approval of a step increase from Step 6 to Step 7. The Council to concur with the Commission approving Ms. Blaskowski's increase.
- f. Donation Resolutions:
 - 1) Resolution No. 2019-44, donation in the amount of truck hauling services from Minnesota Bedding, LLC in the amount of \$750 for hauling woodchips for the zipline at the Sauk River Park.
 - 2) Resolution No. 2019-45, donation in the amount of \$2,000 from the Big Birch Lake Area Charities to the Melrose Fire Department for equipment.

- g. Gambling Resolutions:
 - 1) Resolution No. 2019-46, Resolution Approving Gambling License to the Melrose Area Chamber of Commerce for an exemption from lawful gambling license to conduct a bingo and hold a raffle on November 8, 2019 at the Melrose American Legion located at 265 Country Road 173 SE.
 - 2) Resolution No. 2019-47, Resolution Approving Gambling License to the Melrose Area Chamber of Commerce for an exemption from lawful gambling license to hold a raffle on November 29, 2019 outside of 302 Main Street E.
- h. The Council to give consideration to Final Pay Voucher No. 8 from Breitbach Construction for the 1st Street NE & 4th Avenue NE Improvements. The total due is \$9,131.27. The final contact amount of \$638,731.97 is \$32,976.07 below the amended contract amount of \$671,708.04. Pay Voucher No. 8 has been reviewed by WSB Engineering and is hereby recommended approval.
- i. The Council to give consideration to Pay Voucher No. 2 from Worms Lumber & Ready Mix for the 2019 County Road 65 Sidewalk Improvements. The total on Pay Voucher No. 2 is \$40,731.04. Pay Voucher No. 2 has been reviewed by WSB Engineering and is hereby recommending approval.
- j. The Council to give consideration to Pay Voucher No. No. 1 from ASTECH in the amount of \$62,728.59. The City contracted with Astech for the 2019 Seal Coat project. A review has been completed by WSB and is recommending payment.
Action: Provide consideration to authorize payments.
- k. The Street Department is looking to replace the New Holland Tractor with sweeper. Staff has researched and tested the Toolcat. This piece of equipment has more universal capabilities and can be utilized in various capacities. This piece of equipment falls under government contract pricing. The cost, including the trade in of the NH TC25D with mower deck, is \$59,742.71.
Action: Authorize purchase of the Toolcat at \$59,742.71.

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

A.I. #5 PRESENTATION

Mayor Finken recognized the 100th Anniversary of the American Legion. Mayor Finken read a proclamation honoring the 100th Anniversary and thanked all the members for their service. Mayor Finken presented the American Legion with a 100th Anniversary Commemorative Centennial Print.

A.I. #6 PUBLIC HEARINGS

- a. The City Council held a Public Hearing at 6:09 p.m. to determine if conditions identified on the property located at 518 4th Street SE, Melrose MN are a public nuisance and consider issuing orders to abate the nuisance.

Attorney Scott Dymoke provided an overview of the nuisance violations and the process of abating the nuisance.

The property owner addressed the Council requesting a 60-day extension to come into compliance.

There being no further comment, the Public Hearing was closed at 6:24 p.m.

- b. Mayor Finken opened the Public Hearing at 6:25 p.m. to review the progress of the Small Cities Development Program/Community Development Block Grant rehab program. Ed Zimny with the Central Minnesota Housing Partnership Inc. provided an update of completed projects and information on the Fair Housing Act. Mr. Zimny stated that the Fair Housing Act protects against discrimination because of race, color, religion, sex, national origin, familial status, or handicapper. In fact, one of the requirements for having the Small Cities grant is to promote Fair Housing awareness. Citizens were given the opportunity to comment of the program and the Fair Housing Act.

Mr. Zimny noted that after the first of the year of 2020 if funding is still available, the City can then move to the Plan B area. The City would need to write a letter requesting expanding the program into the Plan B area.

There being no further comment, the Public Hearing was closed at 6:36 p.m.

A.I. #7 REPORTS

- a. Fire Chief Tom Budde presented the Fire Department report. Chief Budde reported on the following:
 - 1. The Fire Department received a DNR Grant in the amount of \$3,250.
 - 2. The Fire Department also received the 2018 FEMA Grant in the amount of \$115,733. This will be used towards air packs.
 - 3. The Fire Department will be submitting two grants this year to be used towards turnout gear or radios and new ladder truck.
- b. Police Chief Craig Maus presented the Police Department's August report. He noted there were 357 calls for service during the month, compared to 511 for August 2018. A total of 16 citations were written for the month of August. The year-to-date number of calls is 3,023 compared to 3,523 in 2018. For the month of August 2019, the Department received 19 agency assist calls.
- c. During the period from August 6, 2019 through September 12, 2019, the City Attorney has not given significant attention to any projects on behalf of the City of Melrose.
- d. City Administrator Winter provided an update.

Rock Arch Rapids/Bridge project

City Administrator Winter has now met or spoken to almost everyone that has been involved in the Rock Arch Rapids project including Senator Westrom. She also hoped to have spoken to Becca Nash by the time the meeting about the funding and the timeframe for the Work Plan. Ms. Winter has met with Mike and Don (their bridge specialist) with WSB on September 16. Jodi Teich from Stearns County Public Works will be conducting traffic counts on 5th Ave NE and once the results are in from those counts, the City will be discussing more information related to the bridge project. The Rock Arch Rapids will be discussed further at the Council's October meeting.

Kraft Lot

Nothing new to report at this time.

St. Mary's

The EAW was submitted to the City and the City responded back to St Mary's with their comments. The City's Engineer, WSB, will be sending out the draft EAW for comments and publishing in both the local paper and Environmental Quality Board monitor by September 16.

Strategic Planning

As discussed at previous City Council meetings, the City of Melrose has not completed a Strategic Plan for 10 years. The last one that was done was 2009. A Strategic Plan outlines the Vision of the Community and overall operations and quality of life in Melrose. Marcy Douglas with Missouri River Energy Services provides Strategic Planning to member communities. The City Administrator proposes that the City has a joint meeting with the Council, Public Utilities Commission, and Department Heads on Thursday, November 21 prior to the regular Council meeting for a one-hour visioning session to start the process.

Housing

Last month, Ms. Winter talked about housing and that this topic is brought up quite often by various folks including representatives from the hospital and industry. Ms. Winter had also stated this was something that she wanted to bring to the Council at a future meeting, but instead would like to schedule on the agenda for October.

A.I. #8 ACTION ITEMS

- a. Mayor Finken stated that earlier this evening, a Public Hearing was held to determine if conditions identified on the property located at 518 4th Street SE are a public nuisance and consider issuing orders to abate the nuisance.

City Attorney Dymoke stated that if the Council wishes to move forward with the abatement of the nuisance conditions for the above listed property, they will need to take action adopting a resolution. In so doing, the property owner has 30 days in which to come into compliance with the applicable City codes and regulations. A motion for summary enforcement of the order will be made to the Stearns County District Court unless correction action is taken, or unless an answer is filed within the time specified in Minn. Stat. §463.18 which is 20 days. If the City must take action to enforce this order, all enforcement costs will be specially assessed against the property and collected in accordance with Minn. Stat. §463.22, §463.21 and §463.161.

Council Member Hill introduced Resolution No. 2019-48, Resolution Ordering the Abatement of Nuisance Conditions Located at 518 4th Street SE, Melrose MN. The motion was seconded by Mr. Justin Frieler with a roll call vote recorded as follows:

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

- b. Fire Chief Budde noted that the Fire Department in 2012, and the City of Melrose, as the guarantor for the Melrose Fire Department Retirement Program, entered into an agreement with PERA to manage the retirement program and funds for the Department.

At that time, there was a five-year lock at the \$1,500 benefit level per firefighter. The program is funded by three primary areas: Fire State Aid, Investment Income and Municipal Contribution (if required). The City of Melrose has agreed to make an annual contribution of \$8,200.

As per the PERA bylaws, there is a five-year vesting into the program where no changes to the benefit level can occur. In 2017, the Council approved an increase from \$1,500 to \$1,900. During 2018, the Council approved the increase in benefit to \$2,200 per year.

A review has been conducted again in 2019 by PERA Volunteer Firefighter Retirement Plan, and reviewed by the Fire Chief, Finance Director, and City Administrator for contribution levels of \$2,300, \$2,400, \$2,500, and \$2,600. The funding ratios for those benefit levels would be 109%, 105%, 101% and 97%, respectively. Based on this review, the fund would support all four options without a required contribution by the City. It is the Fire Chief's recommendation to support a \$100 increase to \$2,300.

A motion was made by Travis Frieler to adopt Resolution No. 2019-49, A Resolution Opting to Increase the Benefit Level for Firefighters Who Are Vested in the Voluntary Statewide Volunteer Firefighter (SVF) Retirement Plan. The motion was seconded by Mr. Justin Frieler with a roll call vote recorded as follows:

FOR: Council Members Travis Frieler, Justin Frieler, and Klasen

AGAINST: None

ABSTAIN: Council Member Hill and Mayor Joe Finken, due to a conflict of interest

- c. Finance Director Beuning stated that during the 2018 election period, the election judges requested an increase in their hourly pay, to \$15 per hour, to align with Grove Township and Stearns County pay. At the time, the budget had already been approved, so it was stated that the wages would remain as approved, and it would be brought before the Council during the next budget cycle for election salaries. Currently, the City of Melrose pays election judges \$10 per hour, and \$11 per hour for the head judges. Standard practice has been to pay the head judges \$1 per hour more than the election judges.

In 2020, there will be additional training required for the judges, as well as a primary election. It is estimated that a total of approximately 400 hours will be paid out in 2020.

A motion was made by Mr. Justin Frieler, seconded by Mr. Klasen and unanimously carried approving the increase in pay for the 2020 election judges at \$15 per hour and head judge at \$16 per hour.

- d. The Council next reviewed the Stearns County Intra-County Mutual Aid Agreement for Emergency Management and Homeland Security. This mutual aid agreement was developed to allow for the sharing of resources between jurisdictions in times of emergency.

Stearns County is aware that there are existing mutual aid agreements for law enforcement and fire services however other department often times do not have these agreements in place prior to emergency situations taking place. This agreement was designed to allow for mutual aid of any and all functions, personnel and resources. This agreement was written by the Stearns County Attorney's Office and reviewed the League of Minnesota Cities.

Council Member Klasen expressed concerns on Article 12 of the agreement and is recommending review by City Attorney Dymoke prior to adoption.

By consensus, the Council tabled action on this item to be brought back at the October regular meeting after review by City Attorney Dymoke.

- e. Mayor Finken noted that at the Council's August 15 meeting, Chief Maus commented that according to Minnesota State Statutes Class 1 ATVs must be permitted by the City in order to drive on City streets. The ordinance adopted in 2018 removed licensing requirements for all classes of ATVs. In order to come into compliance with Minnesota State Statute, City Attorney Scott Dymoke has made revisions to Chapter 76 Motorized Golf Carts and All-Terrain Vehicles. This revision would not include side-by-sides. If the Council wishes to consider including City permitting of Class 1 ATVs as per Minnesota State Statute, the Council would need to hold a Public Hearing.

A motion was made by Mr. Travis Frieler, seconded by Mr. Hill and unanimously carried scheduling a Public Hearing for Thursday, October 17, 2019 at 6:00 p.m.

- f. Police Chief Maus provided an overview of the changes to the Melrose Police Department Policy and Procedure Manual.

A motion was made by Mr. Hill, seconded by Mr. Justin Frieler and unanimously carried adopting the revised Melrose Police Department Policy and Procedure Manual.

A.I. #9 OLD BUSINESS

- a. Finance Director Beuning presented the proposed 2020 budget for the General Fund. State law requires that the City certify the proposed tax levy to the County Auditor by no later than September 30; therefore, it will be necessary to review the budget and take action on adoption of the proposed preliminary budget and the proposed tax levy at this meeting. The final levy will be adopted in December can be lower than the levy certified in September but cannot be higher.

It is proposed that the preliminary general tax levy be certified at \$1,285,000. Also included is a total debt levy of \$95,000, for a total proposed tax levy of \$1,380,000 and an estimated tax capacity rate of 56.97%, a decrease of 12.03% from 2019. The City must also provide the County Auditor with precise information on:

1. Time and place of a public hearing for the discussion on the budget and levy adoption.
2. The public must have the opportunity to speak and the meeting must not be held before 6:00 p.m.

3. Date, place and time of the public hearing at which the final budget and levy will be determined, with this meeting to be scheduled after November 25 and no later than December 30.
4. Staff recommends this hearing be scheduled for December 12 at 6:00 p.m. at the Melrose City Center.
5. Phone number (320-256-4278) that City taxpayers may call if they have questions related to the auditor's property tax notice, which is generally delivered in November.
6. Address where comments will be received by mail (225 1st Street NE, Melrose, MN 56352 Attn: Finance Director)

The above-noted items are part of the Truth in Taxation requirements. The information must be included in the minutes and the City must comply with existing publication requirements for minutes.

Council Member Travis Frieler introduced Resolution No. 2019-50, Resolution Adopting Proposed Tax Levy 2019, Collectible in 2020. (See attached resolution) The motion was seconded by Mr. Justin Frieler with a roll call vote recorded as follows:

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

A.I. #10 NEW BUSINESS

- a. Mayor Finken stated that the Council, at its June meeting, following past practice authorized a parcel of property from the former Burlington Northern land be sold to the abutting property owner at 4 1st Ave SE in the amount of \$1.00.

The Melrose Area Development Authority (MADA), at its June 18 meeting, directed City staff to contact the property owner of 7 1st Ave SE and give the property owner the same option to purchase Parcels 66.37010.0760 and 66.37010.0761 for \$1.00 each with the stipulation that all the parcels be combined. Staff has contacted Patrick and Linda Korte and they are interested in purchasing the two parcels at \$1.00 each.

A motion was made by Mr. Klasen, seconded by Mr. Hill and unanimously carried authorizing the sale of Parcels 66.37010.0760 and 66.37070.0761 be sold to Patrick and Linda Korte for \$1.00 each.

A.I. #11 INFORMATIONAL ITEMS

The following informational items were reviewed:

- a. The minutes from the Utilities Commission's August 12 Regular Meeting.
- b. The following are schools and/or conferences where registrations were made:
 - 1) MNGFOA Conference – September 25-27. Attending: Finance Director Tessa Beuning
 - 2) MNCPA Audits of Local Government Conference – October 21. Attending: Finance Director Tessa Beuning

A.I. #12 ADJOURNMENT

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

PATRICIA HAASE – CITY CLERK