

**MELROSE CITY COUNCIL
REGULAR MEETING
THURSDAY, MARCH 17, 2022 – 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. Resolution No. 2022-15 Reestablishing Precinct and Polling Place
 - e. Community Festival License
 - f. Donation Resolution
 - 1) Resolution No. 2022-16 Donation from Rahn's Oil & Propane-
 - 2) Resolution No. 2022-17 Donation from St. Rosa Jaycees
 - 3) Resolution No. 2022-18 Donation from St. Rosa Jaycees
 - g. Receptionist Step Increase
5. Public Hearing:
 - a. Public Hearing – Chapter 76 Motorized Golf Carts and All-Terrain Vehicles
6. Reports
 - a. Police Department Monthly
 - b. City Attorney Report
 - c. Engineering Report
 - d. City Administrator Report
7. Action Items
 - a. Ordinance No. 3-17-2022 Ordinance Amending Melrose City Code Section 76.03 Subdivision F
 - b. 2022-2023 LMCIT Worker's Compensation Insurance Quote
 - c. Planning & Zoning Commission Member Appointment
 - d. Inspectron Contract
 - e. Resolution No 2022-19 Minnesota Department of Natural Resources Outdoor Recreational Grant
 - f. Police Reserve Hire
8. Old Business
 - a. Personnel Policy/Drug and Alcohol Testing Commercial and Non-Commercial Drivers

9. New Business
 - a. Meeting Schedule
 - b. Channel Realignment Tree Compensation

10. Informational Items
 - a. Utilities Commission Meeting Minutes
 - b. 2022 Assessment Report
 - c. Schools and Conferences
 - d. Annual Comprehensive Financial Report
 - e. Ambulance Licensing Inspection

11. Adjournment

**MELROSE CITY COUNCIL
REGULAR MEETING
THURSDAY, MARCH 17, 2022 – 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, March 17, 2022 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, and Mayor Joe Finken, City Administrator Colleen Winter, and City Clerk Patti Haase. Council Member Mark “Bunker” Hill 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. Klasen, seconded by Mr. Justin 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 CONSENT AGENDA

The following items were considered for approval under the Consent Agenda:

- a. The minutes from the Council's February 14 Special Joint Meeting with the Public Utilities Commission, the February 17 Regular Meeting, and the February 17 Special Meeting with Area Township and City Officials
- b. List of bills in the amount of \$598,603.46 (See attached list)
- c. List of investments for the month of February (See attached list)
- d. Due to the legislative redistricting all municipalities must pass a resolution re-establishing precincts and polling place even if there are no changes to the precinct boundaries. Resolution No. 2022-15 Resolution Reestablishing Polling Place and Precinct.
- e. The Council to give consideration to approval of a Community Festival License – Public Property to Martinez Meat & Grocery for Saturday, May 7, 2022. The event will be held outdoors and a portion of 5th Avenue SE and Main Street will be closed. This event must comply with City Code Chapter 113.23 (D) which deals with Community Festivals – Public Property. Police Chief Maus and City Administrator Winter have reviewed the Community License Application and recommend approving the application.
- f. Donation Resolution
 - 1) Resolution No. 2022-16 Donation from Rahn's Oil and Propane in the amount of \$250 to the Melrose Police Department.
 - 2) Resolution No. 2022-17, Donation from the St. Rosa Jaycees in the amount of \$1,583.62 to the Melrose Fire Department.
 - 3) Resolution No 2022-18, Donation from St. Rosa Jaycees in the amount of \$992 to the Melrose Fire Department.
- g. On approximately April 6, 2022, Receptionist Stephanie Perez will complete two years of service. Finance Director Beuning has completed a review and it was favorable. Therefore, Stephanie is eligible to move to Step 3 on the pay scale.

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

A.I. #5 PUBLIC HEARING

- a. The Melrose City Council held a public hearing on Thursday, March 17, 2022, at 6:00 p.m. on the following:

The purpose of the public hearing is to consider amending Section 76.03, Subdivision F: All permits granted pursuant to this section expire on December 31 of the **third year** after the permit was issued. Permits may be renewed by complying with the requirements of this section.

City Administrator Winter presented the Affidavit of Publication that was published in the February 23, 2022, edition of the *Star Post*.

City Attorney Dymoke provided an overview of the proposed change.

The Public Hearing was closed at 6:01 p.m.

A.I. #6 REPORTS

- a. Police Chief Craig Maus presented the Police Department's February 2022 report. He noted there were 219 calls for service during that month, compared to 288 for February 2021. A total of 14 citations were written for the month of February. There were 39 verbal warnings and 6 written warning. The year-to-date number of calls is 518 compared to 633 in 2021. For the month of February 2022, the Department received 20 agency assist calls.
- b. During the period from February 9, 2022, through March 10, 2022, City Attorney Dymoke had not given significant attention to any projects on behalf of the City of Melrose.
- c. City Engineer Dave Blommel presented the engineering report.
In the past month SEH has worked on the following projects:
Housing
CO-OP Site:
 - We have continued to work towards an agreement with the CO-OP on the purchase of the eastern portion of the site. Once terms are in place, we will begin the Phase 1 environmental review.**Daylight Court:**
 - After input from the planning commission, we are developing options that will minimize current costs, but still allow for future development to the north.**Sauk River Park**
 - Coordinating with Landwehr Construction to stub out the right sized water service to serve the new campsites in the park.
 - Stearns County's requirements for licensing of the new campground sites have required several revisions to the proposed layout. Staff will be meeting with Stearns County the week of March 14th to further discuss the project and will bring back results to the park board and City Council.
- d. City Administrator Winter provided an update:

RDB –Landwehr has rerouted the channel and water began flowing in the new channel on Friday, March 11th. The deadline for the channel work to be completed is March 15th. The north bridge work is done and they are working on the south side. Street Supervisor Middendorf and Administrator Winter met with Midwest Automatic Products, Pat with Unique Boutique, Jim and Lisa Illies and have a meeting scheduled with Chad Middendorf to discuss obtaining temporary easements on their properties on 1st St and in MAP's case on 5th for the RDB project. We also met with Maria Martinez regarding access for her property. Like all other projects, we are a little behind schedule due to material delays.

Sauk River Park Planning – The Park Board has been busy finalizing plans for the campground and other future improvements at the Sauk River Park. Staff

has a meeting scheduled with Stearns County regarding licensing for the campground on March 14th. As we discussed last month, we are looking at all possible ways to fund the improvements and will be applying for an Outdoor Recreation grant through the MNDNR in the amount of \$112,500.00, which is estimated to be 50% of the project costs for campground and bathroom improvements. We are also looking at requesting funding from LCCMR for the campsites, a canoe/kayak launch, and fishing piers/benches. We recognize that there is still a gap in financing that may need to be covered through project reserves. We have not approached the Lions Club but feel that they may also be a great resource for helping fund these improvements. Our campground brings in over 600 visitors a year, and the fees we charge are only \$20 for an electric site and \$10 for a nonelectric site. This is well below the average cost for campgrounds. Staff will be recommending an increase for the 2023 season. Later on the agenda, there is a request to ask that the Council adopt a resolution allowing the City Administrator to apply for funding through the outdoor recreation program which is due March 31st.

Housing – Traci Ryan has developed a survey to be given to the top 3 employers – Jennie-O, CentraCare, and the School District. The survey will be sent out to the employees and will be asking them about housing needs. Traci is also working on soliciting RFP's from builders for both multifamily and single family building. We continue to work on the requirements of the optioned properties. We have also been in conversations with a developer for the Kraft Lot.

A.I. #7 ACTION ITEMS

- a. The Council at its December 16, 2021, meeting requested a revision to the ATV permitting from an annual permit to a three-year permit. City Attorney Dymoke has drafted Ordinance No. 3-17-2022.

A motion was made by Mr. Justin Frieler, seconded by Mr. Klasen and unanimously carried to adopt Ordinance No. 3-17-2022- Amendment to Melrose City Code Section 76.03 Subdivision F.

- b. The Council next gave consideration to the quote received from the League of Minnesota Cities Insurance Trust (LMCIT) for worker's compensation insurance for the period of March 7, 2022, through March 7, 2023. The net premium costs for the upcoming period are \$113,139. The quote in 2021 was \$70,312, which is an increase of 61%. The experience modification increased to 0.97% for the 2022-23 coverage period, up from 0.68% for the 2021-22 coverage period. The main driver of the modification increase is due to two significant claims in 2020-21. There is also an increase in the police rate. Overall workers' compensation rates for 2022 have increased for a second consecutive year as a result of costs incurred from the increasing number and size of Post-Traumatic Stress Disorder (PTSD).

It is recommended that the City again approve the regular premium option. The General Fund share of the premium is \$88,411 and the Utilities' share is \$24,728 (compared to \$52,621 and \$17,690, respectively for the past year).

A motion was made by Mr. Travis Frieler, seconded by Mr. Justin Frieler and unanimously carried concurring with the Melrose Public Utilities Commission

approving the LMCIT workers comp insurance at the regular premium option.

- c. Mr. Adam Paulson is seeking reappointment to the Planning and Zoning Commission. There is still one vacancy of the Planning and Zoning Commission.

A motion was made by Mr. Justin Frieler, seconded by Mr. Klasen and unanimously carried reappointing Mr. Paulson to the Planning and Zoning Commission for a four-year term.

- d. Mark Harren sold his company to Inspectron, Inc. and they will be our new building inspector. Michael Friedrichs will remain as the primary contact for our city. Attached is the Building Inspection Services Contract with Inspectron Inc. City Attorney Scott Dymoke has reviewed the contract.

A motion was made by Mr. Justin Frieler, seconded by Mr. Travis Frieler and unanimously carried approving the Building Inspection Services Contract with Inspectron Inc.

- e. The Park Board has been busy finalizing plans for the campground and other future improvements at the Sauk River Park. Staff met with Stearns County regarding licensing for the campground on March 14th. As we discussed last month, we are looking at all possible ways to fund the improvements and will be applying for an Outdoor Recreation grant through the MNDNR in the amount of \$112,500.00, which is estimated to be 50% of the project costs for campground and bathroom improvements

Council Member Travis Frieler introduced Resolution No. 2022-19 Authorizing City Administrator Winter to make application for the Minnesota Department of Natural Resources Outdoor Recreation Grant (MNDNR). The motion was seconded by Mr. Justin Frieler with a roll call vote recorded as follows:

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

- f. Police Chief Craig Maus is requesting the approval to hire Austin Kowski for the Melrose Police Reserves, contingent on a successful background investigation and physical exam. Mr. Kowski is currently enrolled in the Law Enforcement program at the Alexandria Technical College.

A motion was made by Mr. Justin Frieler, seconded by Mr. Klasen and unanimously carried approving the hiring of Mr. Kowski to the Melrose Police Reserves contingent on a successful background investigation and physical exam

A.I. #8 OLD BUSINESS

- a. The City's Personnel Policies have become out of date. Staff has revised, updated and reformatted the Personnel Policies using template language provided by the League of MN Cities, as well as from comment provided by our personnel legal counsel, Flaherty & Hood. The draft templates were reviewed with the City Council and Public Utility Commission at a joint meeting on February 14, 2022. After modifying the policies based upon the Council &

Commission's recommendations, draft copies were sent to the employees as well as the bargaining unit representatives for their review and comments.

A few small changes have been made to the document since the special joint meeting.

The Policies will have an adopted date of 3/14/2022 for the Public Utilities Commission and 3/17/2022 for the City Council, with an effective date of 4/17/2022.

A motion was made by Mr. Klasen, seconded by Mr. Justin Frieler and unanimously carried approving Resolution No. 2022-20 Resolution Approving City of Melrose Personnel Policies.

A motion was then made by Mr. Travis Frieler, seconded by Mr. Justin Frieler and unanimously carried adopting Resolution No. 2022-21 Resolution Approving City of Melrose Drug and Alcohol Testing Policies.

A.I.#9 NEW BUSINESS

- a. The Local Board of Appeals and Equalization meeting will be held on Thursday, April 21, 2022, at 4:30 p.m. A quorum of the Council is required, At least one member must have Local Board of Appeal and Equalization training. Joe Finken Justin Frieler, Mark Hill, and Tony Klasen are member certified.

The City Council will receive the Fiscal Year 2021 Audit Report and Auditor's Management Letter on April 21, 2022. In prior years, Abdo presented these reports and audit summary either in person, or the last two years over zoom at a special joint meeting. In reviewing our overall audit processes with Abdo, the question was raised if this presentation is something that the Commission and Council finds value in for a joint meeting. Other options would be a recorded presentation, or a audit summary included on the Council and Commission's regular meeting agendas. Justin Nilson, the Senior Manager, would like to present the audit to the Council and Commission in the format that they would find most beneficial, and as always is available for questions at any point in time. The Council by consensus scheduled to receive the audit report on April 21, 2022, at 5:00 p.m.

- b. At the last regular meeting, the Council approved action that allowed City Administrator Winter to provide cash settlements to property owners along the river that may have had trees removed as part of the RDB project. The majority of the property owners signed the tree agreement, took the payments, and also signed the temporary right of way agreements. There are two exceptions where the property owners did not sign the agreement.

According to State Statutes, there are certain exceptions to the Open Meeting Law, which allow councils to close meetings. The City Council may, by majority vote in a public meeting, decide to hold a closed meeting to determine the asking price for real property to be sold by the public body, review confidential or nonpublic appraisal data; develop or consider offers or counteroffers for the purchase or sale of real or personal property. Prior to closing a meeting under any of the following exceptions, the public body must state on the record, the

specific grounds that permit the meeting to be closed and describe the subject to be discussed and identify the particular property that is the subject of the meeting. The meeting must be tape-recorded, and the property must be identified on the tape. The recording must be preserved for eight years and must be available to the public after all property discussed at the meeting has been purchased or sold or after the public body has abandoned the purchase or sale. A list of Council Members and all other person present at the closed meeting must be made available to the public after the closed meeting. The actual purchase or sale of the property must be approved at an open meeting, and the purchase or sale price is public data.

A motion was made by Mr. Travis Frieler, seconded by Mr. Justin Frieler and unanimously carried to close the meeting at 6:35 p.m.

Attending the closed session were the following: Present were Council Members Tony Klasen, Justin Frieler, Travis Frieler, Mayor Joe Finken, City Administrator Colleen Winter, Finance Director Tessa Beuning, and City Clerk Patti Haase. The Council to discuss a settlement agreement for the property owners of PID 66.37085.0000, and PID 66.37078.0000 .

City Administrator Winter provided an update as to the offer made to the property owners and presented the Council with their counter offers. Ms. Winter presented photos of the area prior to and after tree removal. Attorney Adam Ripple provided options for settlement. The Council by consensus directed City Administrator Winter to work with Attorney Adam Ripple to draft a settlement agreement for an amount not to exceed to be presented to property owner of PID 66.37085.0000. The Council by consensus directed City Administrator Winter to stay with the original offer for property owner of PID. 66.37078.0000

A motion was made by Mr. Travis Frieler, seconded by Mr. Justin Frieler and unanimously carried to open the meeting at 7:06 p.m.

The Council scheduled a Special Meeting for Tuesday, March 22, 2022, at 7:00 a.m. to give consideration to the Settlement Agreement.

A.I. #10 INFORMATIONAL ITEMS

The following informational items were then reviewed:

- a. Utilities Commission's February 14 Regular Meeting minutes.
- b. 2022 Assessment Report from Steans County
- c. The following is a list of schools and/or conferences where registrations were made:
 1. Safety and Loss Control Workshop Date TBD Attending: City Administrator Colleen Winter.
- d. The Certificate of Achievement for Excellence in Financial Reporting has been awarded to the City of Melrose by the Government Finance Officers Association of the United States and Canada for its Annual Comprehensive Financial Report for fiscal year 2020. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and is attainment represents a significant accomplishment by a government and its management. This is the 6th year that the City has received this award. It is anticipated that the City will again receive this certificate for its fiscal year 2021

- report.
- e. The Melrose Ambulance Department was notified from the Emergency Medical Services Regulatory Board (EMSRB) that they would be coming on site to do an inspection. According to Minnesota Statute 144E.18, the board may inspect ambulance services as frequently as deemed necessary to determine whether an ambulance service is in compliance with sections 114E.0001 to 144E.33 and rules adopted under those sections. The Department has not had an inspection since 2017 due to staffing issues with EMSRB board. Now that they are fully staffed, they are catching up on inspections. This inspection occurred on March 9, 2022, and Ambulance Coordinator Jenn Tschida stated the Department passed inspection with zero deficiencies noted.

A.I. #11 ADJOURNMENT

A motion was made by Mr. Travis Frieler, seconded by Mr. Klasen and unanimously carried to adjourn the meeting at 7:15 p.m.

PATRICIA HAASE – CITY CLERK