

**MELROSE CITY COUNCIL
REGULAR MEETING
THURSDAY, SEPTEMBER 15, 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. Donation Resolution
 - 1) Resolution No. 2022-53 Donation from the Melrose Lions
 - e. Resolution No. 2022-54, Resolution Appointing Election Judges – General Election
 - f. Stearns County RDB Project Engineering Invoice #204-2022
 5. Reports
 - a. CGMC Presentation
 - b. Police Chief Report
 - c. City Attorney Report
 - d. City Engineer Report
 - e. City Planner Report
 - f. City Administrator Report
 6. Action Items
 - a. Resolution No. 2022-55 Resolution Adopting Proposed Tax Levy Approving 2022 Tax Levy, Collectible in 2023
 - b. Relocate Network Panels
 - c. Street Sweeper Purchase
 7. Old Business
 - a. Melrose Art Council Budget Allowance/Sign Ownership
 8. New Business
 - a. LCCMR Grant Agreement
 - * b. Law Enforcement Investigation
 9. Informational Items
 - a. Utilities Commission Meeting Minutes
 10. Adjournment
- * Amendment

**MELROSE CITY COUNCIL
REGULAR MEETING
THURSDAY, SEPTEMBER 15, 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, September 15, 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, Mark Hill, Travis Frieler, 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. Justin Frieler seconded by Mr. Hill and unanimously carried to approve the agenda as amended.

A.I. #3 OPEN FORUM

Mayor Finken then opened the floor to public comment. Council Member Klasen stated the social studies standards of 2020 have changed significantly since 2004. Mr. Klasen noted that the 2004 standards emphasize was to help students gain knowledge and skills that are necessary to protect and maintain freedom, the study of U.S. History, help students understand the U.S. as a nation built on ordinary and extraordinary individuals united in an ongoing quest for liberty, freedom, justice and opportunity. The 2020 standards are: To be conscientious and critical of their own biases and that of larger society; prepare student to address the powerful social, cultural and political inequities by looking at their identity through a lens of race and gender. Mr. Klasen noted that these standards have changed drastically in the last ten years. Mr. Klasen stated that if you have concerns contact your local representatives.

A.I. #4 CONSENT AGENDA

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

- a. The minutes from the Council's August 18 Special meeting, and the Council's August 18 Regular Meeting, and the August 30 Special Meeting – Budget
- b. List of bills in the amount of \$512,495.49 (See attached list)
- c. List of investments for the month of August (See attached list)
- d. Resolution No. 2022-53 Donation in the amount of \$1,000 from the Melrose Lions to the Melrose Area Chamber of Commerce towards the Deuces Wild Sponsorship.
- e. Resolution No. 2022-54 Resolution Appointing Election Judges. The election judge appointments are for the General Election that will be held on Tuesday, November 8, 2022
- f. The City received Invoice #204-2022 in the amount of \$2,105.70 for our portion of the engineering fees. The City's portion of the engineering costs are billed according to the allocation of the construction expenses. The breakout of the invoice is \$1,706.35 General Fund and \$399.35 Utility.

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

A.I. #5 REPORTS

- a. Erik Simonson with the Coalition of Greater Minnesota Cities provided an overview of the 2022 Legislative Session. There are 110 cities across Minnesota that have a membership in the CGMC. The Coalition's main focus is on LGA/Property Taxes, Economic Development, Annexation and Land Use, Transportation, Environment and Energy, and Labor and Employment. Mr. Simonson provided an overview on the Coalition's efforts towards these initiatives.
- b. Police Chief Craig Maus presented the Police Department's August 2022 report. He noted there were 273 calls for service during that month, compared to 292 for August of 2021. A total of 14 citations were written for the month of August. There were 39 verbal warnings and 0 written warning. The year-to-date number of calls is 2,295 compared to 2,556 in 2021. For the month of August 2022, the Department received 32 agency assist calls. Chief Maus also noted that he has been monitoring the compliance with this year's nuisance abatement orders. There are only two remaining properties that have not complied with the Council's order to abate. The property owners still have some time left to come into compliance. Chief Maus also provided an update on the Melrose Community LLC nuisance abatement trial. After both Melrose and Bonner presented their cases, Judge Hennesy directed both parties to submit written closing arguments and proposed orders. The closing arguments and proposed orders are due tomorrow, Friday, September 16th. Judge Hennesy is allowed 90 days from submission of the closing arguments to issue her decision. I don't expect the Judge's decision much before mid-December, at the end of the 90 days.
- c. City Attorney Scott Dymoke was not in attendance. The following report was submitted for the record.
 - **Bonner Nuisance Action** – prepared for and represented Melrose at trial of nuisance abatement action.
 - **Easement Vacation** – Assembled title information and surveys of Melrose easements for use by city staff and engineer in possible vacation proceeding.
- d. City Engineer Dave Blommel presented the engineering report:
 - Sauk River Park
 - Permitting Assistance – Department of Labor and Industry
 - Staking lot corners
 - Housing
 - Updating Estimates
 - Daylight court quote development
 - Budgeting
 - 2023 Street Estimates
 - 2024 Street Estimates
 - Future street planning

Soil boring coordination

- Streets
- Electrical Generation Sites

e. City Planner Shelia Hellermann provided an update on the following.

- We are waiting for site plans for the redevelopment of the U.S. Bank property and the Kraft lot. On the U.S. Bank property, they had hoped to make this meeting, but were missing 2 elements of the plan and wanted to submit a complete packet. They are targeting your October meeting now. The Kraft Lot developer is currently working with the stormwater engineering plans with Sauk River Watershed District.
- We also have been working on Rose Park concerns
- We are working on the Minnesota State Active Transportation Infrastructure grant. Letter of intent is due October 14th. We are applying for funding of the proposed trail connecting Daylight Court to 5th. After the letter of intent we find out if we are invited to make a full application. We also have a pending grant application with DEED focused on childcare expansion in the community. Notifications occur at the end of October. In addition we have submitted grant request for the basketball court and playground equipment in the park. Again in that case, notification is expected in late October.
- Coming up on the agenda is the request from the Arts Council. This item was tabled at a prior meeting.
- A special meeting of the City Council on Monday, October 3rd at 7 AM for two items. First is a public hearing.
 1. The parcel number is 66.36436.0005 located at 420 Kraft Drive, Melrose, MN 56352. Owner has been constructing storage units on the property and now would like to build a fifth building east-west along Kraft Drive, perpendicular to buildings one, two and three. The City of Melrose received from the State of Minnesota a turnback of Trunk Highway 52, and property includes a 117.50 feet easement from the center of now existing Kraft Drive. After discussion with department heads for electric, sewer and water, it was agreed that 80 feet would be sufficient. This easement actually runs longer and wider than this property, but it was agreed in consultation with the City attorney, to limit the easement vacation to this property. The property to the north is the Bonner property/Rose Park. This action was approved by the Public Utilities Commission at their meeting earlier this week on Monday night.
 2. An individual wants to build storage sheds in the Industrial Park. The land in the Industrial Park is owned by the City (not MADA). We are working through a lot split right now. The property is the first lot as you enter the park on the right with the pond. We are carving out the pond and lift station so that will remain City property for maintenance and access.
In both these cases, the special meeting was driven by the desire of the two individuals to build yet in the fall. We have since learned

that the construction in the Industrial Park will likely not occur until spring due to the engineering requirement but the individual is incurring costs in developing the plans.

- Final interesting note – we have processed 228 building permit applications. 173 of which have been received in the 3rd quarter or since July 1st.

f. City Administrator Winter provided an update on the following:

WWTF - Progress is being made on the WWTF. Magney is requesting an additional 75 days and we are pushing back on this as they have not proven it is critical. Substantial completion is still scheduled for March 2023.

RDB – The bridge is complete and Landwehr will be on site until the project is complete. Main Street repairs will begin the week of Sept. 19th and the 5th Ave intersection area will be closed at that time.

Sauk River Park - SEH has staked out the campsites at Sauk River park and is in the process of installing the water and electric has started.

A.I. #6 ACTION ITEMS

- a. Finance Director Beuning presented the proposed 2023 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 \$1,500,000. Also included is a total debt levy of \$90,000, for a total proposed tax levy of \$1,590,000 and an estimated tax capacity rate of 58.03%, an increase of 8.48% from 2022.

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.
 - a. Staff recommends this hearing be scheduled for December 15 at 6:00 p.m. at the Melrose City Center.
- 4) 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.

5) 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.

A motion was made by Mr. Hill to adopt Resolution No. 2022-55 A Resolution Adopting Proposed Tax Levy Approving 2022 Tax Levy, Collectible in 2023. The motion was seconded by Mr. Justin Frieler with a roll call vote recorded as follows:

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

AGAINST: None

The City must certify the proposed 2022 tax levy to the County Auditor and adopt the proposed 2023 budget on or before September 30.

A motion was then made by Mr. Klasen approving the 2023 Preliminary Budget and setting the Public Hearing for Thursday, December 15, 2022, at 6:00 p.m. at the Melrose City Center. The motion was seconded by Mr. Travis Frieler with a roll call vote recorded as follows:

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

AGAINST: None

- b. Mayor Finken stated that the current phone and internet network panels are in what is now the HR office. At the time of the original building design, this room had been available for an IT room. Due to the current layout, we have run out of space for any further additions, and the cabinet gets very warm. This results in us running a risk to the functionality of the system. In addition, for IT security, this equipment should be in a secured location.

Staff has worked in conjunction with our managed IT consultants at Arvig to determine the best solution. They've suggested to rerun the cables throughout the building along with the switches to our vault. This location is temperature controlled, secured, and is where our servers are stored.

We have received a quote from Arvig in the amount of \$6,351.90 to install a server rack, patch the panels, testing, labeling of the cables, moving and splicing fiber, moving network equipment and reconnecting and testing.

In addition, Freeport Electric has quoted \$12,400 to core drill the floor at the rack location in the vault, run new Cat6 cables, and install the jacks and plates throughout the office.

The total project quote of \$18,751 would be split between the General Fund and the Electric Fund.

Mr. Klasen stated that he believes moving the closet does not justify the \$18,000 expenditure. Mr. Klasen stated that just by moving the closet it will

not enhance the network security. It would secure it from theft. Mr. Klasen is requesting that he be given an opportunity to further research alternative solutions.

The Council by consensus tabled action to be brought back at the October regular meeting.

- c. Mayor Finken stated that due to pricing and availability Streets/Parks Supervisor Middendorf is requesting to move forward with the purchase of the Street Sweeper. This is included in the 2023 budget. If approved staff would purchase the sweeper with an anticipated delivery of spring 2023. The quote is state contract pricing.

A motion was made by Mr. Justin Frieler, seconded by Mr. Klasen and unanimously carried approving the purchase of the street sweeper at the state contract price of \$223,099 which includes the trade in of the 2002 Elgin Pelican for a trade-in value of \$18,090.58

A.I. #7 OLD BUSINESS

- a. Mayor Finken noted that at its July meeting, the Council tabled a decision regarding assuming ownership of the “Welcome to Melrose” sign proposed by the Arts Council. The Arts Council is finalizing its grant application to pay for the construction of the sign. The ownership and maintenance of the sign is an element of their application and could represent an in-kind donation on the part of the City. Action is requested to now re-visit this request since the grant application is due in September. Staff has reviewed the costs. City costs would be the legal fees for drafting an easement with Melrose Feed Mill, and the costs of a sign variance since it exceeds City zoning regulations in terms of size. City costs would also be excavating and landscaping. Ongoing costs would be the maintenance of sign, including lawn work and snow removal. The installation of lights is not a cost that City staff proposes that the City assume. Rather, it is recommended that be part of Art Council’s grant application

A motion was made by Mr. Hill, seconded by Mr. Justin Frieler, and unanimously carried approving the city to assume ownership and maintenance of the “Welcome to Melrose” sign.

A.I.#8 NEW BUSINESS

- a. The Work plan was approved by LCCMR for \$350,000 for the Sauk River Park improvements. The city to enter into an agreement with the State of Minnesota, acting through its Commission of Natural Resources.

A motion was made by Mr. Klasen, seconded by Mr. Travis Frieler and unanimously carried approving the LCCMR Grant Agreement.

- b. The Melrose Police Department is currently working with area services regarding individuals residing in a condemned mobile home. The Council may close the meeting as the information is classified as non-public data as it relates to active law enforcement investigation data.

A motion was made by Mr. Hill, seconded by Mr. Justin Frieler and unanimously carried to close the meeting.

City Administrator Winter stated that she had received a phone call from Mr. Cheney the manager of Melrose Community LLC regarding the condition of a mobile home which was being inhabited by squatters. The property has been condemned; however the owner continues to enter the property to do repairs. Staff presented details of the ongoing investigation of the property and the noncompliance by the property owner.

A motion was made by Mr. Hill, seconded by Mr. Travis Frieler and unanimously carried to open the meeting at 7:43 p.m.

The Council directed staff to continue working with other resources so as to secure the property and to contact Steans County Environmental Services, as they issue the mobile home park license

A.I. #9 INFORMATIONAL ITEMS

The following informational items were then reviewed:

- a. The minutes from the Utilities Commission's August 8, 2022, Regular Meeting and the August 23, 2022 Special Meeting

A.I. #10 ADJOURNMENT

A motion was made by Mr. Travis Frieler seconded by Mr. Justin Frieler and unanimously carried to adjourn the meeting at 7:45 p.m.

PATRICIA HAASE – CITY CLERK