

**MELROSE CITY COUNCIL
REGULAR MEETING
FIRE AND AMBULANCE STATION
THURSDAY, FEBRUARY 17, 2022 – 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. Gambling Resolution:
 - 1) Resolution No. 2022-10 – Church of St. Mary's
 - 2) Resolution No. 2022-11 – Church of St. Mary's
 - e. RDB Project Invoices from Stearns County
 - f. Donation Resolution
 - 1) Resolution No. 2022-12 – Craig Schiffler to purchase trees
 - 2) Resolution No. 2022-13 – Freeport Lions to the Melrose Ambulance Department
 - 3) Resolution No. 2022-14 – Donations to the Tri-Cap Bus Service
- *4-1 Presentation
5. Reports
 - a. Stearns County Attorney – Janelle Kendall
 - b. Police Department Monthly
 - c. City Attorney
 - d. City Engineer Report
 - e. City Administrator Year in Review
6. Action Items
 - a. Proclamation Declaring February 23, 2022, School Bus Driver Appreciation Day
 - b. Council Chamber Partitions
 - c. Part-Time Streets/Parks and Water/Wastewater Maintenance Worker
 - d. Temporary Summer/Seasonal Worker
 - e. ARPA Funds
 - * f. RDB Tree Removal
7. Old Business
 - * a. West Central Sanitation Contract

8. New Business
 - * a. Funding for Sauk River Park Campground
 9. Informational Items
 - a. Schools and Conferences
 - b. Public Utilities Commission Meeting Minutes.
 10. Adjournment
- * Amendment

**MELROSE CITY COUNCIL
REGULAR MEETING
THURSDAY, FEBRUARY 17, 2022 – 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, February 17, 2022 at 5:30 p.m. at the Fire and Ambulance Station pursuant to due notice being given thereof. Present were Council Members Tony Klasen, Justin Frieler, Travis Frieler, and Mark “Bunker” 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. Klasen, 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. Council Member Tony Klasen stated that parents of students in the Melrose Public School are receiving an email regarding a Student Survey. Students can elect to opt out. Mr. Klasen encouraged parents to review the survey. Mr. Klasen feels some of the questions are inappropriate and wanted to bring this to the public’s attention.

A.I. #4 CONSENT AGENDA

- a. The minutes from the Council’s January 20 Regular Meeting
- b. List of bills in the amount of \$529,184.63 (See attached list)
- c. List of investments for the month of January (See attached list)
- d. Gambling Resolutions:
 - 1) Resolution No. 2022-10, Resolution Approving Gambling License to the Church of St. Mary’s for an exemption from lawful gambling license to conduct a raffle on June 25, 2022, at the Sauk River Park located at 206 5th Avenue N in Melrose, MN.
 - 2) Resolution No. 2022-11, Resolution Approving Gambling License to the Church of St. Mary’s for an exemption from lawful gambling license to hold a raffle on December 31, 2022, at St. Mary’s Church located at 755 Kraft Drive SE in Melrose, MN.
- e. The city has received invoices from Stearns County for engineering services in the amount of \$9,206.46 and contract expenses in the amount of \$428,713.05 for the RDB Project.
- f. Donation Resolution
 - 1) Resolution No. 2022-12 Donation from Craig Schiffler in the amount of \$150 to the Parks and Recreation Fund (Tree Replacement)
 - 2) Resolution No. 2022-13, Donation from the Freeport Lions in the amount of \$10,000 to the Melrose Ambulance Department.
 - 3) Resolution No 2022-14, Donation to the Tri – Bus Service.

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

A.I. #4-1 PRESENTATION

Fire Chief Tom Budde and Mayor Finken presented Mark “Bunker” Hill with a plaque and certificate of appreciation for his service to the Melrose Fire Department.

A.I. #5 REPORTS

- a. Stearns County Attorney Janelle Kendall provided an update.
- b. Police Chief Craig Maus presented the Police Department’s January 2022 report. He noted there were 299 calls for service during that month, compared to 345 for January 2021. A total of 14 citations were written for the month of January. There were 50 verbal warnings and 14 written warning. The year-to-date number of calls is 299 compared to 345 in 2021. For the month of January 2022, the Department received 21 agency assist calls. On March 1 a presentation on common scams will be held at the Melrose public school in the media center. A donation to the food shelf is requested.
- c. City Attorney Scott Dymoke reported on projects he has been working on for the city:
 - Bonner Nuisance – Attended remote pre-trial hearing on this matter. A court trial is scheduled for April 21 – 22.
 - DEG Agreement – Received and reviewed proposed distributed electric generation agreement for solar panels on apartment building. Modified and forwarded revised agreement to City Administrator.
 - ATV Ordinance – Prepared proposed amendments to licensing requirements in ATV ordinance. Forwarded proposed amendments to City Clerk.
- d. Dave Blommel submitted a written report.

During the last month we have continued to work on residential development priorities with City staff. We have focused on 3 sites to date, Theiler Property, Co-op Property, and Sunrise Court. Estimates and figures were presented at the 2/10/22 MADA meeting. The next steps related to the Co-op site will be presented at the meeting.

We have also been working with the park board to draft layouts for the relocated camp sites at Sauk River Park. A change order to the current bridge project will stub out a new 6” water service to the area to be utilized in serving the sites with water. The water will be brought up to a shallower (seasonal) depth that will allow for public works crews to install the smaller piping to the campsites in the future.

- e. City Administrator Winter presented the year in review.

A.I. #6 ACTION ITEMS

- a. Mayor Finken recognized the local bus drivers for their contribution to public education and student safety. Mayor Finken then read the proclamation declaring February 23, 2022, as School Bus Driver Appreciation Day

A motion was made by Mr. Justin Frieler seconded by Mr. Hill and unanimously carried to adopt a proclamation declaring February 23, 2022, as School Bus Driver Appreciation Day.

- b. Mayor Finken stated that the partitions in the Council Chambers are in need of replacement. Staff has obtained three quotes. The Public Utilities Commission at its February 14, 2022, meeting approved cost sharing and purchasing of new vinyl partitions from Midwest Construction in the amount of \$48, 905.

A motion was made by Mr. Travis Frieler, seconded by Mr. Klasen and unanimously carried concurring with the Public Utilities Commission approving the purchase of new vinyl partitions from Midwest Construction in the amount of \$48, 905.

- c. Mayor Finken noted that historically the City has hired a seasonal part-time worker to assist with the summer workload. Streets/Parks Supervisor Gary Middendorf is requesting approval to again hire a temporary summer/seasonal worker for on average 24 hours per week, or as needed to fill in for staff shortages, to assist with lawn and park maintenance, cleaning, etc. A portion of the wages is paid from the utility fund. The Commission at its February 14, 2022, meeting approved the hiring of a seasonal/temporary part-time worker.

A motion was made by Mr. Hill, seconded by Mr. Justin Frieler and unanimously carried concurring with the Public Utilities Commission approving the hiring of a seasonal/temporary part-time worker.

- d. Streets and Parks maintenance worker Bob Boeckermann has submitted his resignation, effective June 3, 2022. This role also performs work for the utility departments. Streets and Parks Supervisor Middendorf has reviewed the position and is requesting to fill this position, which is a 0.75 FTE (1,600 hours budgeted). A portion of the wages are paid from the utility fund. The Commission at its February 14, 2022, meeting approved the hiring of a Streets/Parks maintenance worker which is a .075 FTE (1,600 hours budgeted).

A motion was made by Mr. Justin Frieler seconded by Mr. Travis Frieler and unanimously carried concurring with the Public Utilities Commission approving the hiring of a Streets/Parks maintenance worker which is a .075 FTE (1,600 hours budgeted).

- e. Mayor Finken stated that the U.S. Department of Treasury released the final rule for the American Rescue Plan Act (ARPA). Of note to cities is the update to the final rule relating to the calculation of lost revenues, which allows a city to use the funds for almost any governmental purpose. The rule now provides an alternative to the complex calculation of lost revenues by allowing recipients to use a "standard allowance" option, which assumes the recipient experienced revenue loss equal to the lesser of their full ARPA distribution or \$10 million.

Recipients that select the standard allowance may use that amount for government services, with streamlined reporting requirements. City staff confirmed this interpretation with our auditors and they stated that assuming there is a public purpose for the expenditures in the future, and it does not go towards reducing the levy or paying down debt, our allocation of funds can be claimed as revenue loss, regardless of whether or not there was a specific loss relating to the pandemic.

ARPA funds must be obligated by December 31, 2024 and expended by December 31, 2026. The City of Melrose has received \$199,767.94 in ARPA funds in 2021 and is anticipated to receive another distribution of that amount in 2022. The City of Melrose is required to complete the Project and Expenditure Report required for all ARPA recipients by April 30, 2022.

Due to the expanded flexibility relating to the use of the ARPA funds, staff requests a discussion of the City Council as to how they see these funds best allocated.

A motion was made by Mr. Hill seconded by Mr. Klasen and unanimously carried declaring the ARPA funds as replacing lost public sector revenue.

- f. There were trees that presumably were removed from private properties as part of the RDB project. Staff calculated a per acre cost and to settle with the affected properties it would cost \$1,500.00. This is the quickest and most cost-effective option. The other option would be to formally survey all of the properties and then determine the cost. This is a much longer process and not cost effective. Our hope is that most of the property owners would be willing to accept a check for tree removal. The individual property owners would receive checks anywhere from \$120 - \$300.

A motion was made by Mr. Klasen seconded by Mr. Travis Frieler authorizing payments to the individuals affected by the tree removal on a per acre basis with the overall cost not to exceed \$1,500.00.

A.I. #7 OLD BUSINESS

- a. Overall, the transition from Waste Management to West Central Sanitation has been ok. We have had about a dozen residents state they do not want any service; however City Administrator Winter has visited with each of them individually and explained why they are required to have service and with the exception of one individual that has gone well.

Drive by fee – In reviewing the previous contract there has always been a drive by fee for residential garbage services it just was not called out separately and was included in the overall contract first with Bueckers and then with Waste Management. This drive by fee would apply to vacant homes and West Central Sanitation is proposing a fee of \$4.00 a month. The following is additional comments from Don Williamson:

- III. A. – Annual Adjustment – Our response to the Melrose RFP asked for actual CPI increases annually. The Council wanted a limit of 4%. Our discussion recognized the value of a balanced approach to the annual adjustment each year so the residents would not experience a large

adjustment in any one year. We agreed to a cap of 4% increases, with any actual CPI adjustments greater than 4% to be carried over to the next annual adjustment. We did not agree to decreases. Following are some suggestions to Section III. A. to reflect our agreement:

1. Remove the wording upward or downward
2. Add that a negative CPI will result in a 0 CPI increase
3. Add that a CPI greater than the 4% Max will get carried forward throughout the contract until absorbed. For example Year 1 is 6% CPI we would raise the rates 4% in year one and carry the additional 2% forward until they could be used under the 4% Max.

The Council by consensus did not allow a \$4.00 month fee for vacant properties. For vacant properties where the garbage bins are being used, current rates should be charged.

A.I.#8 NEW BUSINESS

- a. The Park Board has been meeting for the last couple of months to finalize the plans for the Sauk River Park. Staff presented a plan for the campsites and how they will be served with water and electricity. The Park Board is looking at various funding options and have scheduled another meeting for March 9th to go over those options. In addition to the camping, per the requirements of Stearns County a bathroom/shower building is required when there are more than 10 campsites. The old facilities were grandfathered in. One of the areas that we have to expend funds is on the electric side in order to get materials ordered as soon as possible just to be able to get everything put in in 2022. Staff has obtained a quote for the total approximate cost of electric for this project at \$34,058.08. The PUC did meet and tabled the discussion of cost participation until March. In the CIP for 2022, there is funding allocated for park purposes that was originally set aside for the replacement of the basketball court and a plaza area for the RDB project. The Park Board is recommending that that funding be reallocated towards the campground. Council Member Klasen recommended this be tabled until there is a more definite plan for the layout of the park and if funding would be attained.

A motion was made by Mr. Travis Frieler approving the electric installation bid to serve the proposed campsites at Sauk River Park, along with 4 existing sites not to exceed \$34,058.08. The motion was seconded by Mr. Hill with a roll call vote recorded as follows:

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

A.I. #9 INFORMATIONAL ITEMS

The following informational items were then reviewed:

- a. The following is a list of schools and/or conferences where registrations were made:
 - 1) Coalition of Greater MN Cities March 2-3. Attending: City Administrator Colleen Winter
- b. Utilities Commission's January 10, 2022, Regular Meeting minutes.

A.I. #10 ADJOURNMENT

A motion was made by Mr. Travis Frieler, seconded by Mr. Klasen and unanimously carried to adjourn the meeting at 7:00 p.m.

PATRICIA HAASE – CITY CLERK