

**MELROSE CITY COUNCIL
REGULAR MEETING
THURSDAY, JANUARY 15, 2026 – 6:00 P.M.**

1. CALL TO ORDER/ROLL CALL/PLEDGE OF ALLEGIANCE

The Melrose City Council met in a Regular Meeting on Thursday, January 15, 2026, at 6:00 P.M. at the Melrose City Center pursuant to due notice being given thereof. Present were Council Members Tony Klasen, Mark Niehoff, Travis Frieler, Joeline Wieling, Mayor Joe Finken, City Administrator Colleen Winter, Community Development Director Sheila Hellermann, Police Chief Craig Maus, Fire Chief Tom Budde, Finance Director Jackie Niehaus, City Engineer Dave Blommel, Streets and Parks Supervisor Andrew Rousslange, and City Clerk Connor Kockler. Mayor Finken presided thereat.

The Council recited the Pledge of Allegiance.

2. APPROVAL OF AGENDA

A motion was made by Council Member Niehoff, seconded by Council Member Wieling, and unanimously carried to approve the agenda.

3. OPEN FORUM

Mayor Finken then opened the floor to public comment. There were no members of the public who wished to comment.

4. PRESENTATION

a. Service Recognition to Nancy Roering

The City Council recognized Nancy Roering for 25 years of service on the Melrose Housing and Redevelopment Authority.

Barry Hegg, Director of Rose View Manor presented. He said that you become a better person from working with Nancy, and that she was instrumental in making changes at Rose View Manor during her time on the HRA. As a former teacher, she steers you towards solutions. He said that the HRA really appreciated having her as a member.

Mayor Finken made remarks that Nancy taught him so much about politics when he first became mayor. He said that he has learned a lot from her and that she has been a great mentor to him.

The Council then presented a certificate of recognition to Nancy Roering.

b. Year in Review

City Administrator Winter gave the Year in Review presentation. She said that she has

served as the city administrator for seven years now. The mayor and council hire the city administrator, and then the city administrator's role is to manage the day-to-day operations of the city, supported by the heads of the different departments.

She then summarized the role of the City Council and the advisory boards to the City Council. The Melrose Area Development Authority (MADA) promotes economic and industrial development and redevelopment in the city and pursues goals of job retention and creation, and housing. The Parks and Recreation Board provides guidance on maintenance, improvement, and operation of parks, trails, and recreation spaces in the city. The Planning and Zoning Commission prepares the city Comprehensive Plan, reviews and studies provisions of zoning and land subdivision regulations, as well as considers applications for changes to zoning and conditional use permits, and approvals of site plans and plats. Since Melrose has its own utilities, the Melrose Public Utilities Commission serves as the body that manages utilities infrastructure, policies, and rates. The Melrose Housing and Redevelopment Authority manages Rose View Manor, a 30-unit apartment complex designed for exclusive use by low-income elderly or disabled people.

City Administrator Winter summarized the organizational chart of the city and the different departments within the city. The Finance Department is led by Finance Director Jackie Niehaus. She and her team are responsible for the city budgets and capital plans. For tax rates, Melrose has been consistently below the rate of comparable cities, as we are working to be as fiscally responsible as possible. The tax capacity of the city has been increasing year over year, which shows the city is growing. 44% of city general fund revenue comes from property taxes, with 34% coming from local aid, and the rest from other sources. The largest part of the city budget is 32% from transfers out, which means capital improvement projects. The next largest item in the city budget is public safety at 27%.

In the Human Resources Department, led by Doris Rieland, there has been a lot of activity this year. There are 7 new full-time employees the city has hired in this past year. There has been a new member on the boards. 10 employees have retired or resigned in the last year. One of the new city employees is a new police officer. There were also several new members of the Fire Department and Ambulance Department.

The city handles many different types of licensing, and this is handled by the City Clerk. Our long-term City Clerk Patti Haase retired, and Connor Kockler has just started as the new City Clerk. The city received over \$64,000 in donations last year, Melrose is a very generous community. That money went to various areas such as the Fire Department.

The Economic Development Department is led by Sheila Hellerman, the Community Development Director. She works with builders, contractors, and all the development that takes place in the city. There were not as many building permits this past year, but this is after several years of very high permit numbers, there was \$29 million worth of building permits in 2024 alone which included corporate buildings and new apartments. There was still \$7.7 million in building permits this year as well. Stearns Electric's new corporate headquarters opened in August on Kraft Drive. Commercial maintenance exceeded new

construction, on the residential side there was nearly equal maintenance of existing homes and new home construction. For an example of a great project that was done this year, there was a condemned building on Main Street that was set up for demolition, and now it has been saved and rehabilitated. Woods and Irons, an indoor golf simulator, has taken over the space. The city is also making progress on housing, last year plats were added on the north side of town, and this year houses are being built on some of those plats. There were 5 certificates of occupancy for new homes, with one more coming soon.

The Streets/Parks Department is headed by Supervisor Andrew Rousslange. They plow and maintain the streets and take care of the parks and trails. A major development this year was the improvements to Sauk River Park. New scoreboards, bases, a pitching mound, pickleball courts, fishing stations, and epoxy floors in the bathrooms and kitchen were added. In Meadowlark Park, stained siding was added to the bathrooms, and new signage was added. Streets projects that were completed included 5th Avenue from Main Street to Railroad full depth reclamation and soil adjustments, 8th Street North cul-de-sac full depth reclamation, City Center parking lot full depth reclamation along with sidewalk and curb, and new LED crosswalk signs at the intersection of 2nd Avenue South and Kraft Drive. There have been a lot of projects recently and so the plan for 2026 is to not have as many major streets projects as have been done recently. New equipment for Streets/Parks includes a 2025 Chevy 2500 HD truck, a Toro Z Master 4000 lawn mower, and a new snow blade.

The Electric Department is led by Line Lead Justin Lundblad and he has three linemen working with him. The reliability report for 2025 shows that we had 38 scheduled maintenance outages, with 13 unscheduled, for a total of 51 outages for 2025. This is a very small number of unscheduled outages with the large number of rural lines. Miscellaneous projects completed this year include rural line pole changeouts and updates, new lights in the ambulance bay, new streetlights in several locations, and several new switches and electric feeders. The city is working to make the electric service even more reliable. For numbers in 2025, there were 12,200 feet of innerduct and conduit cable installed, 74,000 feet of 15 KV cable installed, 4,800 feet of 600 volt secondary cable installed, 2 new switches, and 10 single phase transformers installed. There were also 9 new residential electric connections installed in 2025.

The Water/Wastewater Department is headed by Supervisor Jeremy Schrantz. The water towers, wells, and wastewater treatment plant are all part of this department. They hauled 323 loads or 1,700,000 gallons of biosolids in 2025. They jetted three fourths of the city's sanitary sewer mains. Their new equipment includes a Toro zero turn lawn mower, a portable transfer pump, and a 2025 Ford F350 truck equipped with a Boss v plow.

The Police Department is led by Chief Craig Maus, and this year they obtained a new 2026 Dodge Durango squad car, got an upgraded camera system and hired a new officer Matthew Host. The department will be advertising for a new police officer position in 2026. Calls in 2025 were up by 325 compared to 2024.

The Fire Department had a total of 26 members this past year and had 145 calls. This was 16 more calls than 2024. This included 36 fire calls, 40 rescue calls, 65 medical calls,

and 4 others. The Melrose Area Ambulance had 1,386 calls. This included 81 motor vehicle accidents, 179 bodily injuries, 25 strokes, 16 diabetic reactions, 45 heart attacks/chest pain, 264 transfers, 280 cancelled/refused, 52 fire structure runs, and 104 others. This is 225 more calls than in 2024. They covered 57,798 miles, 7,000 more than last year. There were less mental health calls in 2025 than in 2024.

In the Administration Department, there are eight total employees headed by the City Administrator. This includes Community Development, Finance, Human Resources, City Clerk, Accounting, and Utilities billing.

State-Administered Mandatory Paid Family and Medical Leave started effective January 1st. This program provides job protections and partial wage replacement for up to 20 weeks per year for employees for family and medical leave. Funding for the program comes from employer and employee premiums. For each program leave type, categorized as family/caregiving leave and medical leave, an employee can take 12 weeks of leave, up to a total of 20 weeks per year.

There will be tax and rate changes this year. Taxes are increasing by 0.94%. Electric rates will increase by 4%, and wastewater rates will increase by 5%. Water rates will not increase. Many of the communities around us are seeing double digit increases for water and wastewater rates.

Looking ahead for 2026, the Streets/Parks Department will be getting a new snowblower, new carpet will be installed in the library, the city will get another pickleball court, landscaping will be done at the city center, and seal coat street projects are finishing up. We continue to see growth in the community as evidenced by many projects, several of which are on the agenda tonight.

City Administrator Winter concluded by thanking the City Council and the PUC for their vision and leadership. To MADA, thank you for your business forward innovation that continues to drive our economic gains. To the Planning Commission, thank you for the orderly development of our city, and the Park Board for their enthusiasm for our outdoor spaces. And to the HRA Board and Director Barry Hegg for their dedicated service to the residents of Rose View Manor. She also thanked the city employees for their public service and dedication to the community.

Mayor Finken said that people do not always realize how busy our community is, there are a lot of things the public might not see. It is good for us to have this presentation to show everyone what is happening in our city. He thanked City Administrator Winter and city staff for their hard work and setting up this presentation.

5. CONSENT AGENDA

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

- a. Approval of Minutes
- b. Approval of Bills/Purchase Orders
- c. Approval of Investments

- d. Donation Resolution No. 2026-3 from American Legion Post 101
- e. Donation Resolution No. 2026-4 from American Legion Post 101
- f. Donation Resolution No. 2026-5 from American Legion Post 101
- g. Donation Resolution No. 2026-6 from Mark Finken
- h. Donation Resolution No. 2026-7 from American Legion Post 101
- i. Donation Resolution No. 2026-8 from Nancy Mohs
- j. Donation Resolution No. 2026-9 from Melrose Fire Department Relief Association
- k. Step Increase for Steve Kortenbusch for Streets/Parks Department
- l. Hiring of Nigel Masters for Ambulance Department
- m. Gambling Resolution No. 2026-10 - Midwest Outdoors Unlimited

A motion was made by Council Member Niehoff, seconded by Council Member Wieling, and unanimously carried to approve the consent agenda.

6. PUBLIC HEARINGS

- a. Acquisition of Jennie-O Turkey Store Parcels

Community Development Director Hellermann presented information on the acquisition of parcels 66.37010.0770, 66.37177.0000, 66.37210.0000, 66.37209.0000, 66.37208.0000, and 66.37010.0769. These parcels, owned by Jennie-O-Foods Inc, are the former location of its processing plant and parking lot area. Since fall 2023, the city has been talking with Jennie-O about this land. This property consists of 7 and a half acres in the center of the city. Jennie-O is the #1 employer in Melrose and has invested \$137 million into the city with their new production plant that opened in 2019. Their contributions to the city cannot be understated. Since fall of 2023, members of the City Council, Melrose Area Development Authority, and city staff have been at the site evaluating it with Jennie-O. The city has brought in contractors to look at options for demolition and new development. Jennie-O has assisted the city in applying for grants for the redevelopment of the site.

Hellerman said last year she received a call from Leedstone, a local business that is interested in this land. They are looking for space to expand their operations. This created a spark for the development plan for this area, as the city does not just want to acquire land to hold it, but wants to have a plan to develop it. This fall, Jennie-O contacted the city and stated it was their intention to donate the 6 parcels of land.

The plan as it is right now for the south piece of the land, about 15,000 square feet, is what Leedstone is interested in, as well as the truck sheds on the property. They want to use the semi loading docks for their operations. Leedstone will be entering a five-year lease with the city for these parts of the land. The city will assist them in changing this area over to a warehouse space. One of the city's main goals is that no truck traffic will be crossing 5th Avenue anymore.

The city is working on a redevelopment grant application with the state. The plan is to demolish 48,000 square feet of the old buildings, which are everything north of the area

closest to where the old church used to be, all the way up to Melrose Meat Shop. The deadline for the grant is due February 1st. We are optimistic that a DEED grant will be available for this project. DEED has already provided an investigation grant to the city.

Once the demolition is complete, in the city's 2027 capital improvement budget, the city plans to expand Turkey Lane across the property to E 1st Street S to reconnect the area. The city has been waiting on a few street maintenance projects around the property pending the outcome with the Jennie-O property. These projects can now start up again because there is now a plan for development of the area. The city has received additional interest from local developers in terms of the parking lot on the land. There will be additional space available once the demolition is complete and the road is added through the property, so there will be more development opportunities once that is complete.

Throughout this process the city has engaged the neighbors to this property in the plans and discussions for development. We want to thank Jennie-O for this opportunity and for being so accommodating to our requests for data and access. Thank you to Leedstone as well for reaching out to Melrose looking for opportunities to stay in the city and grow here. The grant the city received in December from DEED is for environmental testing, we do not anticipate any major concerns on the site, but this is an important part of due diligence moving forward in this project.

In conclusion, the city's goal in this discussion has been to keep things local and prioritize local interests and businesses. This is a real opportunity to bring jobs and life back into downtown and to open up the area with the new street. Partnering with people and businesses that are already here is important as they know the value of our workforce and our community. She then opened up the floor to comment by the Council, MADA members, and the public. There were no Council or MADA members who made comments.

Mayor Finken then opened the floor to public comment. There were no members of the public who wished to comment.

7. REPORTS

a. Police Department Report

Police Chief Craig Maus provided the following update. He said for December 2025 traffic numbers there were 20 citations, 87 verbal warnings, and 27 written warnings. There were 290 calls or requests for service. There were 204 in December 2024 so there was an increase over last year. There were 10 agency assists which is pretty consistent month to month. There were 13 administrative citations issued related to parking. The 24-hour parking rules have caught on in the city as the number of parking citations is going down. The 2026 Dodge Durango squad car was delivered January 7. There is no word on the truck that was ordered in 2024. Currently the Durango is getting graphics and should get lights in mid-February and be in service soon. Applications are now open for a replacement officer, as Officer Root took a new job with the State Patrol.

b. Community Development Director Report

Community Development Director Hellerman provided the following update. The Minnesota Pollution Control Agency was at the Bohlig Cleaners property at 517 Main St E the previous week Thursday and Friday for a Phase 1 environmental study. The city is just assisting the owners of the property in connecting them to resources to determine the condition of the property. The city has no plans to acquire or develop the property. Work continues on the daycare shortage in the city and possible solutions. Conversations continue to take place on the location and possible start of a center. We have a spark on this project and can hopefully develop it into something. The Planning and Zoning Commission will have two public hearings at its next meeting on January 26. The first is for a conditional use permit for a mural at Midwest Automatic. There is now a process for murals that needs to be approved before being installed. The Melrose Area Arts Council has a design for consideration for this mural. The second is for a preliminary plat between Cura and Centracare. Because there are a lot of different hallways and sections in the assisted living facility, the plan is to try and sort out the respective property of Cura and Centracare.

c. City Engineer Report

City Engineer Dave Blommel provided the following update. The 2026 Street Projects will be starting soon. Soil borings will be done on 4th Street to make sure that we know the ground conditions in advance before the project starts. Those borings should be done sometime in the next few weeks. Bids for the project will be opened in February.

8. ACTION ITEMS

a. Jennie-O Real Estate Donation Agreement

Community Development Director Hellerman presented. Jennie-O Foods is interested in donating 6 parcels of land to the city per the public hearing earlier in the meeting. City staff, City Council, and MADA presented their plan for redevelopment of the property. Requesting the City Council direct city staff and the city attorney to review and enter into a real estate donation agreement with Jennie-O for the 6 parcels pending the terms being finalized by the legal teams.

A motion was made by Council Member Wieling, seconded by Council Member Klasen, and unanimously carried to approve the Jennie-O Real Estate Donation Agreement.

b. Resolution Approving Redevelopment Grant Application, Committing Local Match Funds and Authorizing Contract Signature No. 2026-11

Community Development Director Hellerman presented. As mentioned in the public hearing, the city is working on a grant with the Minnesota Department of Employment and Economic Development, which is due February 1. The grant would provide funding for demolition of part of the Jennie-O property allowing for business opportunities and the

buildout of Turkey Lane. To apply for these funds, the City Council needs to pass a resolution in support of the application. Requesting the City Council approve the proposed resolution 2026-11 to meet that requirement.

A motion was made by Council Member Niehoff, seconded by Council Member Klasen, and unanimously carried to adopt Resolution 2026-11.

- c. Resolution Authorizing the City to File an Application and Administer Management of a Grant with the State of Minnesota Office of Emergency Medical Services No. 2026-12

City Administrator Winter presented. This would be a grant for \$95,114.12 that would be awarded to Melrose Area Ambulance. In order to receive the funds from the grant, the city needs a resolution of support from the City Council to accept the grant. Requesting that the City Council approve the proposed resolution 2026-12 to meet that requirement.

A motion was made by Council Member Frieler, seconded by Council Member Wieling, and unanimously carried to adopt Resolution 2026-12.

- d. Emergency Warning Siren Replacement

Police Chief Maus presented. He said the city has budgeted \$30,000 this year for emergency warning siren replacement. Chief Maus presented two quotes for a replacement siren to the City Council for consideration. The first quote was from DSC Communications for \$22,141.58. The second quote was from American Signal Corporation for \$29,129.34. He recommended the quote from DSC.

The city currently has 4 emergency warning sirens installed. The new siren would provide better coverage than the existing siren, and the plan hereafter would be to replace a siren every 4-6 years, as service life for the sirens is estimated at 25 years. We do not have exact numbers, but the newest emergency siren installed in the city was likely installed in the 1980s. The oldest sirens were likely installed in the 1960s. The existing sirens in the city are well past their intended service life. The new sirens would provide better coverage and be able to potentially cover future growth in the city as well with their increased range.

Mayor Finken asked whether there could be any benefit to taking the oldest siren that is being replaced first and reinstalling it on the east side of town to add additional coverage to the siren system. Chief Maus said that is something that could be explored, he is not sure what the costs would be to reinstall the old siren in a new spot, and how long it might still work once re-installed.

Council Member Niehoff asked whether it would be expensive to move the old siren rather than get a brand new one. He inquired into what the cost difference would be installing a brand-new siren versus using the old one. Mayor Finken said he brought up the idea because he has heard concerns with the industry on the east side of town that the sirens are harder to hear. Chief Maus said that there would be costs to re-install the old siren

like obtaining a new pole and installation, it would likely be a cost savings to use an old siren rather than versus a brand new one, but it could be a band-aid solution for 15-20 years.

City Administrator Winter said that the city might want to consider putting the new siren on a taller pole than the previous one, as that would increase the sound as it has been reported that the sound is muffled at some places in the eastern part of the city. This was previously done with a siren that was not replaced but put on a new pole. Fire Chief Budde said that sirens are used to notify people outside that they need to get indoors because of an emergency. If people are inside and cannot hear the sirens, that is less of an issue since they are already inside.

A motion was made by Council Member Klasen, seconded by Council Member Wieling, and unanimously carried to purchase the emergency siren from DSC Communications.

9. OLD BUSINESS

a. Memorandum of Understanding for Minnesota Paid Family Leave

City Administrator Winter presented this item. At the regular December 18, 2025 meeting of City Council, a discussion took place regarding Minnesota Paid Family and Medical Leave (MN PFML). The city has three unions that it needs to enter an MOU with regarding MN PFML. Two of the main questions that were asked at the December 18, 2025 meeting were:

1. If someone is out on MN PFML, do they still receive their health insurance?
2. While out on MN PFML, does an employee still accrue vacation and sick time?

To answer these questions, for Question #1, yes, employees still receive their health insurance while out on MN PFML. For Question #2, no, employees do not accrue vacation and sick time while they are out on MN PFML. The MOU here will be effective for 2026 and 2027, as a new contract year will be coming up to be negotiated for 2028. Employees can use their time off hours to supplement the money being paid by MN PMFL, but they cannot go over 100% of their regular wage amount. The employer can choose the order in which other time off hours can be used to supplement MN PFML, which is still something that needs to be negotiated with the unions as well.

A motion was made by Council Member Frieler, seconded by Council Member Wieling, and unanimously carried to concur with the language in the MOU.

10. NEW BUSINESS

a. Planning & Zoning Commission Review of Budget and Planning

Community Development Director Hellerman presented. At its meeting on December 22,

2025, the Planning & Zoning Commission reviewed the non-equipment related Capital Improvement Projects proposed for years 2026-2030 addressed in the City's Five-Year Capital Improvement Plan. They also reviewed with staff the land acquisition and disposition projects being discussed by the Council and MADA. This is done in accordance with Minnesota Statutes Section 462.356 Subd. 2.

The statute reads "After a comprehensive municipal plan or section thereof has been recommended by the planning agency and a copy filed with the governing body, no publicly owned interest in real property within the municipality shall be acquired or disposed of, nor shall any capital improvement be authorized by the municipality or special district or agency thereof or any other political subdivision having jurisdiction within the municipality until after the planning agency has reviewed the proposed acquisition, disposal, or capital improvement and reported in writing to the governing body or other special district or agency or political subdivision concerned, its findings as to compliance of the proposed acquisition, disposal or improvement with the comprehensive municipal plan."

Following its review, the Commission found that the City's non-equipment related Capital Improvement Projects proposed in the budget and the land acquisition and disposition plans which are being discussed, are in compliance with the Comprehensive Plan. If the City Council moves forward with plans not in the current budget, they will be reviewed on an individual basis during 2026 by the Commission.

No Council action was required.

11. INFORMATIONAL ITEMS

- a. Stearns County Commissioners Board Meeting – April 7, 2026 @ 6 PM in Melrose

Community Development Director Hellerman said this is part of a new policy that the County Board of Commissioners will hold one meeting a year outside of St. Cloud in the evening. It appears that whoever the chair is that year gets to decide where the meeting will be held. This is an opportunity for residents in western Stearns to attend a Stearns County Board of Commissioners meeting.

Mayor Finken said that people should please spread the word and show up at this meeting. It seems that Stearns County west of Albany does not always get attention as easily as the rest of the county does. If people show up, we can show the commissioners that we care about county government and that they should care about us.

- b. The Next City Council Meeting will be Thursday, February 19, 2026. The City Council will be hosting German students from Buhl, Germany at 5 p.m. The regular City Council meeting will be at 6 p.m., and the Melrose Fire Department, along with the City Council, will be hosting the annual Melrose Township meeting at the Fire Hall at 7:30 p.m.

There was discussion about rescheduling this meeting, as Council Members Wieling,

Frieler, and Klasen may all be unable to attend on that day. The German students' schedule is full, so even if the Council moves to a new meeting date, the reception for the German students will still be held on February 19, even if the Council meeting date is changed. Fire Chief Budde will check on whether the townships can reschedule as well. The next City Council meeting was later rescheduled to Thursday, February 26, 2026.

12. ADJOURNMENT

A motion was made by Council Member Frieler, seconded by Council Member Wieling, and unanimously carried to adjourn the meeting at 7:01 P.M.

A handwritten signature in black ink, appearing to read "Connor Kockler", written over a horizontal line.

CONNOR KOCKLER – CITY CLERK