

**MINUTES OF THE REGULAR MEETING  
OF THE ZIMMERMAN CITY COUNCIL  
MONDAY, FEBRUARY 4, 2019**

**CALL TO ORDER**

The regular meeting of the Zimmerman City Council was called to order at 7:00 p.m. at City Hall by Mayor Stay, followed by the Pledge of Allegiance.

**ROLL CALL**

Present: Mayor Stay, Council Members Bondhus and Frederick. Members Shepard and Whiting were excused absent. Also present were Administrator Piasecki and Clerk/Treasurer Tillmann.

**AGENDA APPROVAL**

**Frederick/Bondhus unanimous to approve the agenda as presented.**

Member Whiting was present at 7:02 p.m.

**APPROVAL OF MINUTES**

**Bondhus/Frederick unanimous to approve the minutes of the January 28, 2019 Regular Meeting as presented.**

**CONSENT AGENDA**

**Whiting/Frederick unanimous to approve the consent agenda as follows:**

- a. Approve the payment of claims (check #40780 - #40810) in the amount of \$25,839.21 as presented.
- b. Approve the semi-annual payment to the MN Public Facilities Authority (ck #40811) in the amount of \$34,267.36, for scheduled interest payments on GO Revenue Bonds as follows and as recommended by staff:
  - 2000 SBR – \$5,283.60
  - 2007 4<sup>th</sup> Ave Water – \$11,768.40
  - 2010 SBR -- \$17,215.36
- c. Accept the January 2019 Building Permit Summary Report as presented.

**OPEN FORUM**

There was no one present to address the Council during open forum.

**FIRE PROTECTION REPORT**

**Fire Chief Ryan Maloney** presented the Fire Department report for the month of January 2019. The Department responded to 7 medical assists, 3 gas leaks, 2 injury accidents, 1 carbon monoxide call, 4 fire alarms, a vehicle fire, and provided lift assistance to a resident. Maloney continued that members of the Fire Board and the Department toured several fire stations last week to begin formulating ideas for a new fire station in Zimmerman. More information to be provided as the Fire Board moves the project forward.

Discussion was held regarding using the City-owned Marturano House for a Fire Department training burn. Staff feels that all avenues to remove the home from the property have been exhausted and it should be removed as it appears to be regularly vandalized. Maloney spoke with the Elk River Fire Chief and they are looking for a training opportunity for the probationary members currently participating in Fire Academy. Maloney stated they would probably do a few non-burn trainings such as victim rescue and smoke situations before doing a burn later in the Spring. Staff will also advise the Sheriff's Department that the building will be burned in the near future if there are any additional trainings they would like to complete before it is removed from the property. Staff also requested that a water curtain be utilized as part of a training burn to save as many of the existing white pine trees as possible.

**Whiting/Bondhus unanimous to allow the use of the Marturano House by the Zimmerman Fire Department for non-burn exercises and fire training, as requested and as recommended by staff.**

Charitable Gambling Ordinance

Discussion was held regarding a draft Charitable Gambling Ordinance. Council last discussed a charitable gambling ordinance in June 2016, but opted not to take any action at that time. Staff will update the draft ordinance and present to council for review and discussion at a future meeting.

**Council accepted the Fire Department Report for January 2019 by unanimous consensus as presented.**

**FINANCE REPORT**

**LMCIT Liability Insurance Waiver**

As part of the City's annual property and casualty insurance renewal, Council is asked to consider a waiver of the statutory liability limit from \$300,000 to \$1 million per person and occurrence and the purchase of excess liability insurance through the League of Minnesota Cities Insurance Trust. Previous Councils did waive the statutory liability limits for several years but reversed that decision in 2007. The City has not waived the statutory limits, nor purchased excess liability insurance, since that time.

Staff is currently working on the 2019 – 2020 insurance renewal with the City's agent. Typically, Council acts on the waiver at the time the renewal is presented. This year, LMCIT is asking for a Council decision prior to renewal, so any excess liability insurance purchased can be included in the premium amount from the onset instead of being billed afterwards.

**Whiting/Fredrick to not waive the statutory liability limits of municipal tort liability established by Minnesota Statutes §466.04 for the liability insurance policy through the League of Minnesota Cities Insurance Trust, as recommended by staff and the City's Insurance Agent**

**ADMINISTRATOR'S REPORT –presented by Administrator Piasecki**

Call for Public Hearing – TIF Modifications

The previous Council and staff were working with a local manufacturing business to construct a new 29,000 square foot building on lots owned by the EDA in the Public Safety Addition. The business owner has requested the City consider tax increment financing (TIF) to assist with development and relocation related expenses. The request had been forwarded to the City's financial consultant for review, analysis, and action but the project was delayed into 2019. Since the project was delayed, the City and EDA discontinued the process since an approval in 2018 and construction in 2019 would eliminate 1 year of tax increment generation.

The applicant is ready to move forward with spring 2019 construction. In order to enter into a TIF agreement to provide financial assistance, a new TIF district must be created. This new district would be an Economic Development District, the City's first, specially structured to assist with research, development and manufacturing businesses or industries. By statute these Districts can generate TIF for up to 8 years after the first receipt of tax increment.

The first step is to hold a public hearing on the modification of the program for Development District No. 1, TIF Districts Nos. 8 -10, and the creation of a TIF District No. 11 and its accompanying TIF plan. Staff is requesting Council schedule the hearing for April 1<sup>st</sup>. The hearing notice and proposed map would be published in the Star News at least 10 days prior to the hearing date. Between now and that time, staff will continue to work with the business owner and Financial Consultant Casserly to process a proposed financial assistance package and contract to be considered by the owner and the EDA.

**Whiting/Bondhus unanimous to adopt RESOLUTION #2019-02-01 calling for a public hearing on the modification of the program for Development District No. 1 and TIF Districts Nos. 8 – 10, and the creation of TIF District No. 11 an the accompanying TIF Plan, as recommended by staff.**

**MAYOR/COUNCIL ITEMS**

Council agreed by unanimous consensus to cancel the February 11 Committee of the Whole Meeting due to a lack of agenda items.

Discussion was held regarding the City’s cell phone use policy. Member Frederick suggested Council consider providing a cell phone to Mayor Stay to be used to conduct City business.

**Frederick/Whiting unanimous to provide a cell phone for the Mayor, to be used to conduct City business.**

Mayor Stay noted the following upcoming events:

- February 9 – Shiver Elk River – activities 8 a.m. – 3 p.m. with Mayor Stay and Member Whiting participating in the Polar Plunge at 2:30 p.m.; Lake Orono, Elk River
- February 18 – President’s Day Holiday – All City Offices closed
- February 23 -- Passing the Bread Food Distribution – 9 - 11 a.m., UMA Precision Machining

Before adjourning Mayor Stay called for a moment of silence in support of United States military and law enforcement personnel and their families.

**Whiting/Bondhus unanimous to adjourn the meeting at 7:26 p.m. Motion carried.**

Approved this 25th day of February, 2019.

s/s Kary Tillmann, Clerk/Treasurer

Approved 02/25/2019