

**MINUTES OF THE REGULAR MEETING
OF THE ZIMMERMAN CITY COUNCIL
MONDAY, AUGUST 17, 2020**

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, Frederick, Shepard and Whiting. Also present were Administrator Piasecki, Clerk/Treasurer Tillmann and Public Works Director Koehler.

AGENDA APPROVAL

Whiting/Bondhus unanimous to approve the agenda as presented.

APPROVAL OF MINUTES

Whiting/Shepard unanimous to approve the minutes of the August 3, 2020 Regular Meeting as presented.

CONSENT AGENDA

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

- a. Approve the payment of claims (check #42273 - #42319) in the amount of \$31,903.38 as presented.
- b. Approve payment to the Zimmerman/Livonia Fire District in the amount of \$99,003.85 (ck#XXXXX) as identified on Pledge #1075 for the City of Zimmerman Building Permit fees and SAC/WAC Connection fees for the Fire Hall and Event Center, to be paid from bond proceeds as recommended by staff.
- c. Approve payment to the Zimmerman/Livonia Fire District in the amount of \$186,910.37 (ck#XXXXX) as identified on Pledge #1077 for Rochon Pay Request #1 for Construction Management services for the Fire Hall and Event Center, to be paid from bond proceeds as recommended by staff.
- d. Accept the Investment/Funds Report for February 2020 as presented.
- e. Accept the Investment/Funds Report for March 2020 as presented.
- f. Accept the Investment/Funds Report for April 2020 as presented.
- g. Authorize additional hourly pay of \$5/hour for all Primary and General Election Judges to the risk of exposure to COVID-19, as recommended by staff.
- h. Accept the Building Permit Surcharge Report for July 2020 as presented.

OPEN FORUM

There was no one present to address the Council during Open Forum.

PARK BOARD REPORT

Park Board Chair Josh Bondhus provided an overview of the August 4, 2020 Park Board Meeting. The annual Night to Unite Event had been cancelled for 2020 due to COVID concerns. The Board discussed improvements and necessary repairs at several City parks and noted that repairs will be needed at the boat launch in the near future. Discussion was held regarding membership terms and residency requirements and the completion of the volleyball court improvements by Eagle Scout Will Johnson.

Whiting/Stay unanimous to accept the August 4, 2020 Park Board Report as presented.

LAW ENFORCEMENT REPORT

Patrol Captain Bob Stangler, Sherburne County Sheriff's Department, provided an overview of law enforcement activities for the month of July 2020. The department received 354 calls for service, including 85 traffic stops with 42 offenses charged by citation, not including long form complaints or in-custody arrests. During the same period in 2019, there were 475 calls for service, with 465 calls in 2018. One (1) burglary was reported, and three theft reports made. The department also responded to 8 vehicle crashes with property damage or injuries. Five (5) criminal damage to property complaints were received. Stangler reviewed other types of

calls made during the month, noting no significant trends or incidents were reported. Council also discussed citizen involvement in regulating speed and speed enforcement in neighborhoods.

Council agreed by unanimous consensus to accept the Law Enforcement Report for July 2020 as presented.

PUBLIC WORKS REPORT – presented by Public Works Director Keith Koehler

Request for Donation – Zimmerman Girl Scouts

A local girl scout troop is looking to build a dog park for a community outside of Zimmerman City limits. They have asked the City to consider a donation of chain link fencing which was previously donated to the City. Public Works uses the fencing for various projects and repairs throughout the City such as to baseball fields and the dog park at Firefighters Park, however, there is a significant amount still in storage.

Public Works Director Koehler was directed to find out how much fencing they would like and advise that the troop will need to assistance to move whatever quantity they are interested in.

Generator Purchase

Staff has previously explained the use of multiple portable generators to provide emergency power to lift stations and other electrical needs. The generators owned by the City are different sizes and voltages, and not capable of powering all lift station needs. Staff proposes to replace at least 2 of these units with a new multi-purpose generator at a minimum of 45 KVA, providing 480/277 and 2080/120 voltage, capable of powering all the backup generators at lift station sites. The proposed unit would be trailer mounted, include a toolbox, and LED stand lighting to illuminate lift stations, project sites, or emergency (pandemic) response/locations where power and lighting is necessary.

Staff secured quotes from two vendors for comparable units. Kodiak's quote includes a 45KVA Quiet Power generator, dual axle trailer, toolbox and LED stand lighting and at a price of \$43,390. Ziegler quoted \$47,217 for a 47.5 Kw CAT generator on a single axle trailer, without the toolbox or pole lighting.

Staff recommends Council accept the Kodiak Power Systems quote to provide a portable backup generator and requests authorization to dispose of 2 existing generators through sale or other means.

Staff/Shephard unanimous to accept the proposal from Kodiak Power Systems to provide a Quiet Power 45KVA trailer mounted generator including fuel tank, tool box and pole mounted lighting, with a 2-year warranty and 6 hours of staff training, at a cost not to exceed \$45,000, as requested and recommended by staff, to be paid for with COVID CARES funding.

Discussion was held regarding the remaining useful life of the generator that would be kept. Koehler advised that it was a re-manufactured model when it was purchased and is not in great condition, although still useful. Member Whiting asked if there was a need for two new generators instead, to which Koehler responded that storage at the shop would be an issue with the purchase of additional equipment.

Whiting/Frederick unanimous to authorize the purchase of a second portable Quiet Power 45KVA generator from Kodiak Power Systems with a 2-year warranty and staff training, at a cost not to exceed \$45,000 to be paid for with COVID CARES funding, authorizing staff to dispose of all 3 current portable generators by sale or other means, and approve the payment of 50% of the total purchase price (ck #XXXXX) as a down payment to place the order for the generators.

Miscellaneous

Koehler advised that the parking lot in Firefighters Park was installed last week and is now available for use for off-street parking for the dog park. No action taken.

FINANCE REPORT – presented by Clerk/Treasurer Kary Tillmann

2021 GENERAL FUND BUDGET & LEVY

Clerk/Treasurer Tillmann began the budget presentation with a broad overview of the preliminary 2021 Budget and Levy. The General Fund budget was drafted using the Budget Guide provided by the League of Minnesota Cities. Council was reminded that staff is only presenting the General Fund budget at this time. Water and Sewer Fund budgets would be presented after the preliminary General Fund budget and levy is certified by Council in September. Tillmann reviewed the budget in further detail with Council, referencing the detailed staff memo and budget spreadsheets that were included in the Council packet.

2021 Revenues

The 2021 preliminary revenue budget totals \$3,241,466, a proposed increase of \$237,849 over the 2020 revenue budget. Revenues include general taxes, state aids, fees, charges for services, permit fees, lease revenues and special levies. Certified Local Government Aid (LGA) for 2020 equals \$652,016 which is an increase of \$38,399 over the 2020 amount. One road improvement special levy remains in place in the amount of \$36,893 for current debt service for the CH 45 Reconstruction Project. Collection of the 2nd Street East Reconstruction project ended last year, and Council chose to add that to what is levied annually for Capital Improvements, such as road projects, technology improvements and larger equipment purchases and/or building improvements.

Currently, staff is presenting a preliminary tax levy of \$1,515,000, which is the same as the adopted 2020 levy amount. Council can increase or decrease the proposed levy amount before preliminary certification. Once the preliminary levy is adopted, the levy can only be decreased prior to final certification in December. This can be done by reducing expenses, increasing revenues, or using uncommitted cash reserves as a budget balancing tool.

Staff also discussed the possibility of adding a levy amount for Economic Development. Council directed staff to provide additional information about an EDA levy at the next Council meeting.

2021 Expenses

Preliminary 2021 expenses are proposed at \$3,161,025, an increase \$191,476 or 6.5% over 2019. This budget includes department operation expenses including personnel, anticipated expenditure of \$225,000 for a 2021 street preservation project, \$169,000 for future Capital Expenditures, and \$37,000 in current debt service for the CH 45 reconstruction project and \$188,000 for debt service on the Fire Hall/Event Center project.

Notable changes in department expenses can be attributed to the following items:

- A scheduled increase to the Sheriff's Department contract of \$17,000
- A notable decrease to City Hall building maintenance as many of those repairs will be completed in 2020.
- A decrease in the Election budget because 2021 is not an election year.
- A 10% increase for employee health insurance premiums, as suggested by the City's insurance agent. Renewal premium amounts will be available after September 15.
- Administration suggested increase to employee wages and benefits, which includes a recommended 1-step wage increase for eligible employees and a 2% Cost of Living Adjustment (COLA) for all employees, with corresponding increases to Social Security and PERA.
- A proposed increase to Mayor and Council wages of \$100 per month per official, as the rate has not been increased since 2016.

The City will have until September 30th to certify the preliminary budget and levy to Sherburne County.

Council will have ample opportunity to review the budget in detail during upcoming meetings. Pending the outcome of discussion at this meeting, revisions will be made to the budget as directed by Council. There will be review of the budget at the regular Council meetings in September.

Discussion was held regarding future capital improvements, specifically the reconstruction of 269th Avenue which is under a maintenance agreement with the township and the future Lake Fremont Reconstruction. Council also discussed WWTP improvements and how those would be funded. Administrator Piasecki explained that WWTP improvements are paid out of Water and Sewer Funds and SAC/WAC debt service funds, not through the General Fund levy. Discussion was also held regarding the natural gas franchise fee. Tillmann noted those funds are not identified in the General Fund, as they will be deposited into the Park Fund for future park improvements once received.

Once the preliminary budget and levy are adopted, staff will work to review and amend the budget based on direction provided by Council. The preliminary budget and levy numbers will be provided to the Sherburne County Auditor/Treasurer's Office once certified in September. Between November 10 and November 23, the County Auditor will send the notice of proposed property taxes to each taxpayer in the county. While the City is no longer required to hold a Truth in Taxation hearing, we must hold a Public Comment Meeting, which historically has been held at the first Regular Council meeting in December, with adoption of the final budget and levy at the second Regular meeting in December. The final budget and levy cannot be adopted until after November 24, and Council must adopt the final 2021 budget and certify the final tax levy to Sherburne County by December 30th. No action taken.

ADMINISTRATOR'S REPORT –presented by Administrator Randy Piasecki

CARES Act Funding

Administrator Piasecki shared a written request from Fairview Northland Hospital for COVID Relief funding in the amount of \$87,000. The funds would help offset non-reimbursable costs incurred by the hospital for supplies, equipment, infrastructure and training in response to the pandemic. Additional discussion was held regarding the City's use of CARES Act Funding for city purchases related to the pandemic and a process to grant funds to local businesses affected by the shutdown caused by COVID. Council requested clarification on when the Zimmerman Fairview Clinic would re-open for patient care. Information will be provided as it becomes available.

MAYOR/COUNCIL ITEMS

Mayor Stay noted the following upcoming events:

- August 29 -- Passing the Bread Food Distribution – 9 - 11 a.m., UMA Precision Machining with set up in the morning on Friday, August 28
- September 7 – Labor Day Holiday – All City Offices are closed

Before adjourning Mayor Stay called for a moment of silence in support of United States military, emergency services personnel, health care workers and their families both at home and abroad. Council also acknowledged the passing of local resident and ambulance service employee Bob Huss.

Frederick/Stay unanimous to adjourn the meeting at 7:59 p.m. Motion carried.

Approved this 14th day of September 2020.

s/s Kary Tillmann, Clerk/Treasurer