

**MINUTES OF THE REGULAR MEETING
OF THE ZIMMERMAN CITY COUNCIL
MONDAY, AUGUST 21, 2017**

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 Earenfight, followed by the Pledge of Allegiance.

ROLL CALL

Present: Mayor Earenfight, Council Members Brisbin, Nathe, and Whiting. Member Smith was excused absent. Also present were Administrator Piasecki, Clerk/Treasurer Tillmann, and Public Works Director Johnson.

AGENDA APPROVAL

Nathe/Whiting unanimous to approve the agenda as presented.

APPROVAL OF MINUTES

Brisbin/Nathe unanimous to approve the meeting minutes of the August 7, 2017 Regular Meeting as presented.

CONSENT AGENDA

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

- a. Approve the payment of claims (check #39303 - #39350) in the amount of \$42,528.73 and electronic payments (e-checks #1537 - #1541) in the amount of \$37,097.94 as presented.
- b. Approve the semi-annual payment to the Sherburne County Auditor/Treasurer in the amount of \$327,909.00 (ck #39351) for 2017 1st half Law Enforcement contract services provided by the Sherburne County Sheriff's Department, with funds to be taken from the Public Safety Budget (101-42000-440), as recommended by staff.
- c. Accept the July 2017 Investment/Funds report as presented.
- d. Accept the July 2017 Monthly Budget as presented.
- e. Adopt **RESOLUTION #17-08-06**, approving the transfer of \$40,508.85 from the 2009 WWTP Expansion Fund (Fund 441) to the Sewer Debt Service Fund (Fun 312) to close out the project fund, as recommended by staff.
- f. Adopt **RESOLUTION #17-08-08**, approving the request of Christ Our Light Catholic Parish for an Exempt Permit to conduct lawful gambling at a function to be held at 25909 – 4th Street West, on October 15, 2017.
- g. Approve of the fireworks display permit as requested by the Zimmerman Quarterback Club for fireworks/pyrotechnic special effects display by Curt Serbus, to be located at the Zimmerman High School/Middle School, 25900 – 4th Street West, on August 21, September 15 & 29, October 13, 18, 24, & 27, 2017, and any playoffs games as determined at the end of the 2017 football season.

OPEN FORUM

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

PARK BOARD REPORT

Member Whiting provided the Park Board Report of August 1, 2017. The Park Board did not have a formal meeting, instead hosted a Night to Unite event in the City Park. The Park Board discussed the event at its conclusion and agreed that it was a good event, well attended by the community and would like to make it annual community gathering. About 200 people attended.

Nathe/Brisbin unanimous to accept Park Board Report for August 1, 2017 as presented.

FIRE PROTECTION REPORT

Fire Chief Maloney was not present for the Fire Protection Report.

LAW ENFORCEMENT REPORT

Patrol Captain Bob Stangler, Sherburne County Sheriff's Department, provided an overview of activities for the month of July, 2017. The department received 492 calls for service, including 150 traffic stops with 50

offenses charged by citation, as opposed 370 calls for service in the same time period in 2016 and 339 calls in 2015. There were 3 burglaries and one attempted burglary in the month, with suspects identified in 2 of them. Twelve thefts were reported during the month, including 3 gas drive-offs. Five have resulted in citations being issued or suspects identified. The department responded to 2 vehicle crashes with injuries, 5 property damage vehicle crashes and 3 criminal property damage complaints.

Other items of note from the Sheriff's Department included the Sheriff's Department presence at Night to Unite activities on August 1 and the upcoming Seniors and Law Enforcement Together SALT Golf Tournament on Wednesday, September 6.

Council agreed by unanimous consensus to accept the Law Enforcement Report for July, 2017, as presented.

PUBLIC WORKS REPORT – presented by Public Works Director Johnson

Purchase Public Works Pickup Truck

The Public Works Department wishes to replace a 2004 Ford F-250 extended cab 4 x 2 pick-up truck due to high mileage. Replacement of the vehicle was anticipated in 2017 and included in this year's budget. Staff has located a used 2013 Ford F-150 extended cab 4 x 2 pickup with 23,000, currently being offered for sale by the MN Department of Transportation Fleet Services. Purchase price would be \$13,000 plus tax, title and license fees.

Member Nathe questioned if replacement was absolutely necessary and questioned if the purchase could be put off until 2018, due to a number of other larger purchases on the horizon for the Department. Johnson reminded Council it was a budgeted item and staff anticipates selling the vehicle for \$3,500, which will offset the cost to purchase the replacement vehicle. This vehicle has been in the fleet for approximately 10 years and has over 100,000 miles on it. Johnson believes it is getting past its useful life and will begin costing more to repair than it is worth.

Brisbin/Whiting to approve the purchase of and authorize payment for a 2013 Ford F-150 4x2 extended cab pick-up truck from the Minnesota Department of Transportation at a cost of \$13,000 (ck#39353) plus tax, title and license, to be paid from Water Fund line item 601-49400-550 (Motor Vehicles), and authorize staff to dispose of a 2004 Ford F-250 4x2 extended cab pickup truck. Roll call on the motion: Brisbin, aye; Earenfight, aye; Nathe, naye; Whiting, aye. Motion carried.

Plow Truck

Earlier this year, Council authorized staff to advertise for bids for a new plow truck for winter snow removal. The City Attorney assisted in drafting the bid notice, which was placed in the July 22 and 29 editions of the City's legal newspaper, the Elk River Star News. Competitive bidding was required because the purchase price would be over \$100,000. Two bids were received prior to the bid opening on Thursday, August 17. Bid summaries have been reviewed by staff and were presented for Council review. Mid-State Truck Service provided a total bid package of \$168,015.86, plus sales tax and license fees for a 2018 International 4x2 truck. Boyer Truck's bid for a 2017 Western Star 4x2. Staff recommends Council accept the bid from Mid-State Truck Service, Inc.

Nathe/Brisbin unanimous to accept the bid submitted by Mid-State Truck Service, Inc., and authorize the purchase and payment of a 2018 International 7400 SFA 4x2 snow plow truck at a bid price of \$168,015.86 (ck #39352), plus sales tax and license fees, as recommended by staff.

Request for Donation for Faith Pantry

Pat Oviatt appeared before the City Council on July 24, requesting Council consider a \$500 donation to the Faith Pantry, a local food distribution housed by one of the churches in town. The Council budget does contain funds for donations to local charitable organizations. Staff suggested that if Council was amenable to considering a

donation, Faith Pantry should submit a written letter requesting a donation. Ms. Oviatt said she would relay the Council's request to Faith Pantry Coordinators.

ADMINISTRATOR'S REPORT –presented by Administrator Piasecki

\$150,000 Loan to Zimmerman EDA

The City reconstructed segments of Main Street in 2016, specifically in the area between 2nd Street East and TH 169. Council authorized staff to expand the project area to improve the segment of 2nd Street East lying south of Main Street, installing storm water piping and paving of a segment of the street. Those expenses totaled approximately \$150,000 were not included in the original financing of the reconstruction project.

Staff has been working with Financial Consultant Casserly to find a funding mechanism by which the City can recover its expenses for this portion of the project. The improvements lie within and adjacent to TIF District #9, allowing the expenditure of TIF funds for street and utility construction. TIF District #9 is an active district and will continue to collect funds through 2034, however no new projects can be funded after September 30, 2017. Casserly has suggested the City loan the EDA \$150,000 from the Sewer Fund, and the EDA loan the \$150,000 to TIF #9. The EDA would then pay the outstanding balance of the 2016 Main Street project using TIF #9 funds.

The EDA will also convene a meeting later in the evening to consider the loan and related documents. Staff recommends Council accept the recommendation and approve the loan process as summarized, to pay portions of 2016 Main Street Project expenses with monies from TIF District #9.

RESOLUTION 17-08-07 Brisbin/Nathe unanimous to adopt RESOLUTION #17-08-07, approving a \$150,000 loan to the Zimmerman Economic Development Authority.

Mayor Earenfight closed the meeting at 7:32 p.m. to convene a meeting of the Zimmerman Economic Development Authority. The regular Council meeting was reopened at 8:08 p.m.

FINANCE REPORT – presented by Clerk/Treasurer Tillmann

2018 PRELIMINARY GENERAL FUND BUDGET & LEVY

Staff presented the first draft of the preliminary 2018 General Fund Budget and Levy. Council reviewed the budget referencing the detailed staff memo and budget spreadsheets that were included in the Council packet.

2018 Revenues

The 2018 preliminary revenue budget totals \$2,595,749, a proposed increase of \$45,902 over the 2017 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 2017 equals \$532,649, which is an increase of \$45,052 over the 2017 amount. Existing special levies total \$68,999 for Debt Service, (2nd Street East Reconstruction and the CH 45 Reconstruction Project), and \$37,000 for Capital Expenditures, which can be used for future road improvements and large equipment purchases.

The preliminary tax levy is not increased from 2017 and is proposed to remain \$1,388,000 unless additional monies are necessary for additional budget items Council would like to pursue. Council has the same options to decrease the levy before final certification, including reductions to expenses, increases in revenues, or the use of uncommitted cash reserves as a budget balancing tool, instead of a levy increase.

2018 Expenses

Proposed expenses are projected to increase over the 2017 level by \$92,350 for a total General Fund Expense budget of \$2,595,024. Increased expenses can be attributed to the following items:

- Increase in Fire Relief Association Aid of \$5,000 which is offset by Aid revenue received from the State of Minnesota
- Increase due to Primary and General Elections in 2018
- \$30,000 in General Fund Capital Expenditures (increase of \$10,000 over 2017) for a new phone system in City Hall, updates to the City website and potential additional components for electronic records management
- A 12% increase for employee health insurance premiums, as suggested by our agent. Council should discuss the contribution amount and whether the City will maintain the current contribution rate for employee health insurance.
- Administration suggested 1-step wage increase and a Cost of Living Adjustment (COLA) for employees, as well as the allowance of limited overtime for Public Works employees

Discussion was held regarding the breakdown of wages and benefits for the Clerk/Treasurer position. Tillmann responded that the Clerk's Department (41400) includes 50% of Tillmann's wages and benefits and 100% of the Administrative Assistant's wages and benefits. The remaining 50% of Tillmann's wages and benefits are paid from the Finance Administration Department (41500). No action taken.

MAYOR/COUNCIL ITEMS

Mayor Earenfight noted the following upcoming events:

- Upcoming Community Events
 - Farmer's Market – Tuesdays 2:30 – 6:00 p.m. – Zimmerman Café, Bar & Bowl
 - Benefit for Deacon James – Saturday, August 26; 1 – 7 p.m.; Civic Building
 - City Wide activities on Saturday, September 9
 - Legion Auxiliary Garage Sale – starting at 8 a.m. – Zimmerman Legion
 - Fall Festival and Youth Expo – 9 a.m. – 3 p.m. – St. John Lutheran Church
 - Community Shred Event – 10 a.m. – 1 p.m. – City Hall Parking Lot
 - Ladies On The Loose – 10 a.m. – 3 p.m.
 - Fire Department Open House -- 11 a.m. – 3 p.m. – Fire Station
 - Firemen's Dance – 8 p.m. – Midnight – Fire Station
 - September 23 – Freshwaters United Methodist Church Day of Service

Before adjourning, Mayor Earenfight asked for a moment of silence in honor of US military personnel at home and abroad and their families.

Brisbin/Whiting unanimous to adjourn the meeting at 8:23 p.m. Motion carried.

Approved this 11th day of September, 2017.

s/s Kary Tillmann, Clerk/Treasurer