

**MINUTES OF THE REGULAR MEETING
OF THE ZIMMERMAN CITY COUNCIL
MONDAY, OCTOBER 21, 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, Frederick, Shepard and Whiting. Also present were Administrator Piasecki, Clerk/Treasurer Tillmann, and Public Works Director Koehler.

AGENDA APPROVAL

Bondhus/Frederick unanimous to approve the agenda as presented.

APPROVAL OF MINUTES

Shepard/Whiting unanimous to approve the meeting minutes of the October 7, 2019 Regular Meeting of the City Council as presented.

CONSENT AGENDA

Whiting/Shepard unanimous to approve the consent agenda as presented as follows:

- a. Approve the payment of claims (check #41439 - #41481) in the amount of \$23,076.38 and electronic payments (e-check #1863 - #1885) in the amount of \$199,564.10 as presented.
- b. Authorize payment to the Zimmerman/Livonia Fire District in the amount of \$78,929.03 (ck#41482), for second-half payment for 2019 Fire Protection Services, as recommended by staff.
- c. Accept the August 2019 Budget/Investments Report as presented.
- d. Accept the September 2019 Building Permit Summary Report as presented.
- e. Approve the license registrations for Sewer and Water Installers for the period of October 21 – December 31, 2019 as follows:
 - Brian Dahlheimer, dba Dahlheimer Trucking & Excavating, 105 6th Avenue S, Princeton, MN 55371
 - Dale Cazett, dba Metro General Services, 5790 Quam Avenue, NE, St. Michael, MN 55376ber 31, 2018.

OPEN FORUM

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

EMPLOYEE ANNIVERSARY RECOGNITIONS

Council acknowledged the following employee achievements:

- **Amanda Rodriguez, Public Works Maintenance Technician**, celebrated 1-year of full-time employment with the City on October 1, 2019.
- **Sara Onarheim, City Hall Administrative Assistant**, celebrated her 5-year anniversary with the City on October 20, 2019.

Council presented each with a certificate commemorating their achievement and thanked them for their service to the City.

PRESENTATION -- ISD #728 REFERENDUM

Cory Franson, Director of Community Engagement and Community Education, and Shane Steinbrecher, School Board Chair, ISD 728, were present to address the Council regarding the upcoming bond/levy referendum which will be on the November 5th ballot. Director Franson detailed the upcoming referendum election and the financial impact to residents and businesses. The School Board is proposing two questions on the ballot which, if approved, would increase the operating levy for the District and approve new bonding money to build new and upgrade existing educational spaces throughout the District.

This funding is being sought because most schools district-wide have exceeded capacity. The School Board strongly supports the improvements as outlined. Franson stated that tax impact of both these levies on a \$250,000 home would be an annual increase of approximately \$32. If both levies fail, there would be continued budget cuts across the district and the district may institute a new lease levy to complete necessary building improvements. This option would not address space, technology or security needs across the district.

Discussion was held regarding funding equity for districts. Franson reported that in comparison to other school districts throughout the state, ISD #728 receives significantly less funding from the state. He continued that part of the inequity happens because Metro districts are much more property rich and commercial properties pay a larger percentage of the school taxes because there are simply more commercial properties.

LAW ENFORCEMENT REPORT

Patrol Captain Bob Stangler, Sherburne County Sheriff's Department, provided an overview of activities for the month of September, 2019, noting that the total number of traffic stops was likely closer to 150, but the reporting software used by the Sheriff's Department is still not working properly. The department received 303 calls for service in the month of September, with 417 calls for service in the same time period in 2018 and 437 calls in 2017. Stangler added that they have received numerous complaints about the pedestrian crossing lights between Zimmerman Elementary School and the High School/Middle School. New parts will be delivered the week of November 11th and County Public Works will initiate the repair.

Mayor Stay declared a recess at 8:14 p.m. and reconvened the meeting at 8:21 p.m.

PARK BOARD REPORT

Park Board Chair Josh Bondhus provided an overview of the October 1, 2019 Park Board Meeting. The Board will be working on a project priority list with the Public Works Director for future projects.

Whiting/Shepard unanimous to accept the Park Board Report of October 1, 2019 as presented.

FINANCE REPORT—presented by Kary Tillmann, Clerk/Treasurer

Memorandum of Understanding – 2019 Audit Services

Staff is planning for the 2019 Audit with Abdo, Eick & Meyers and detailed the Memorandum of Understanding for audit services that are provided through the contract. Upon acceptance by the Council, the MOU confirms the agreement with AEM for contractual audit services for 2019 at a combined total of \$31,855.00

Whiting/Bondhus unanimous to accept the Memorandum of Understanding between the City of Zimmerman and Abdo, Eick & Meyers for comprehensive audit services for the year ended December 31, 2019, as recommended by staff and authorize the City Administrator to sign said agreement, on file in the City Clerk's Office.

2020 Employee Health Insurance

Currently, the City is covered by Medica for employee health insurance with the City paying 100% of single coverage and 85% of family coverage. There are five employees on the plan, with 6 employees opting out of coverage, accepting a stipend instead. Health insurance rates will be increasing by approximately 9% in 2020. Staff budgeted for a 10% increase. Staff requests acceptance of the renewal proposal from Medica for a December 1, 2019 policy renewal date.

Stay/Frederick unanimous approve the provision of Health insurance for City employees, effective December 1, 2019 with a City contribution of 100% for Single coverage and 85% of Family Coverage and provide an annual stipend of \$7,500 to those employees opting not to participate in the City's health insurance plan.

ADMINISTRATOR'S REPORT – presented by Randy Piasecki, City Administrator

Centerpoint Energy Franchise Agreement

CenterPoint Energy's non-exclusive natural gas franchise, granted by Ord. #311, expired in May. The terms of that franchise automatically extend beyond the expiration while a new franchise is negotiated or can be terminated 90-day after notice by either party. CenterPoint representatives and the city attorney continue to discuss new franchise language and staff believes a final Franchise Ordinance may be available for execution soon.

Council has authorized staff to prepare a franchise fee ordinance requiring a fee equal to 5% of CenterPoint revenues generated with city limits. These proceeds would then be allocated to the Park Fund for future park-related uses. Notice of intent to adopt a franchise fee has been provide to CenterPoint. In discussions with the city attorney, the franchise fee language will be inserted into the Franchise Ordinance, rather than be adopted as a separate ordinance. Staff is unsure as when the franchise and fee ordinance may be adopted, so the fee may not become effective until February or March 2020 as CenterPoint will have to implement and bill the fee to customers, and remit payment to the City. No action taken.

MAYOR/COUNCIL ITEMS

Mayor Stay noted the following upcoming events:

- October 26 -- Passing the Bread Food Distribution – 9 - 11 a.m. at UMA Precision Machining with set up on Friday, October 25
- November 5 – ISD 728 Referendum Special Election – Polls open 7 a.m. – 8 p.m. at Refuge Evangelical Free Church

Before adjourning, Mayor Stay asked for a moment of silence in honor of local first responders and US Military personnel and their families at home and abroad.

Fredrick/Stay unanimous to adjourn the meeting at 8:27 p.m.

Approved this 4th day of November 2019.

s/s Kary Tillmann, Clerk/Treasurer