

**MINUTES OF THE REGULAR MEETING  
OF THE ZIMMERMAN CITY COUNCIL  
MONDAY, NOVEMBER 6, 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, Smith and Whiting. Also present were Administrator Piasecki, Clerk/Treasurer Tillmann, Public Works Director Johnson and Attorney Schutt.

**AGENDA APPROVAL**

**Brisbin/Nathe unanimous to approve the agenda as presented.**

**APPROVAL OF MINUTES**

**Smith/Whiting unanimous to approve the minutes of the October 16, 2017 Regular Meeting of the City Council as presented.**

**CONSENT AGENDA**

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

- a. Approve the payment of claims (check #39508 - #39560) in the amount of \$56,219.76 and electronic payments (e-checks #1567 - #1573) in the amount of \$30,660.79 as presented.
- b. Authorize payment to the Zimmerman/Livonia Fire District in the amount of \$73,612.63 (ck #39564) as final payment for 2017 Fire Protection Services as recommended by staff.
- c. Authorize payment to Bolton & Menk (ck #39561) for Project Management Services related to the 3<sup>rd</sup> Avenue South Improvement Project as identified on Invoice #209447 in the amount of \$29,879.09 for the period of August 26 – September 22, 2017, as follows and as by staff:
- d. Authorize payment to Metro West in the amount of \$7,115.20 (ck# 39565) for building inspection services for the month of September 2017 as identified on Invoice #1237, as recommended by staff.
- e. Approve the December 1, 2017 Tax Abatement payment in the amount of \$11,210.44 (ck#39563) to UMA Precision Machining, Inc., as presented and as recommended by staff.
- f. Adopt RESOLUTION #20017-11-01, designating the Sherburne County Public Safety Building as the polling place for City of Zimmerman Voting Precinct 1 and Refuge Evangelical Free Church as City of Zimmerman Voting Precinct 2 for the 2018 Primary and General Elections, as required by MN Statute 204B.16.
- g. Accept the October 2017 Building Permit Report as presented.
- h. Adopt RESOLUTION #2017-11-02, approving the request of the Knights of Columbus Council 8571 for an Exempt Permit to conduct lawful gambling at a function to be held at Christ Our Light Catholic Church, 25909 – 4<sup>th</sup> Street West, on February 11, 2018.
- i. Approve the use of the City Park for a High School Cross Country running meet and related activities and close the entire City Park area to public use on October 16, 2018, as requested by the Zimmerman High School Cross Country Team.

**OPEN FORUM**

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

**CITY EMPLOYEE RECOGNITION**

**Dave Johnson, Public Works Director** celebrated his 25-year anniversary with the City on October 26, 2017. Council presented Johnson with a certificate commemorating his achievement and thanked him for his dedication and service to the City of Zimmerman.

**FIRE PROTECTION REPORT**

**Fire Chief Ryan Maloney** presented the Fire Department report for the month of October, 2017. The Department provided assistance on 2 medical calls, responded to a gas leak, 3 injury accidents, 4 carbon monoxide calls, 2 fire alarms, a vehicle fire, a residential house fire in Livonia Township and provided mutual aid to the Elk River Fire

Department. Maloney reported that Assistant Chief Jeff Plude retired in October and Bob Jacobs has been appointed as the Assistant. Grass Rig 3 has been sold. Maloney stated the vehicle was purchase two years ago for \$23,000 and sold last week for \$21,000, which has put in the Capital Improvement Fund.

**Council accepted the Fire Department Report for October, 2017 by unanimous consensus as presented.**

**PUBLIC HEARING – Mid-Continent Communications Cable Franchise Agreement**

Attorney Schutt reported that Mid-Continent Communications holds a franchise granted to by the City in 2004 to provide cable communications within the municipal boundaries. The agreement was scheduled to expire on May 31, however, Council adopted an ordinance extending the term for an additional 6 months. Schutt has worked through the agreement with MidCo representatives and negotiated the new franchise agreement currently on the table. Schutt added that state law prohibits the ordinance from being adopted at the same meeting at the public hearing, so the ordinance adoption is scheduled for the November 20<sup>th</sup> agenda.

**At 7:07 p.m., Mayor Earenfight opened the Public Hearing to consider renewal of a franchise authorizing operation of a system to provide cable service in the City.**

MidCo was represented at the meeting by Dan Nelson, Director of Governmental Affairs, and John Adams, Minnesota Region Operations Manager. Nelson addressed the Council regarding the agreement, adding that working with Attorney Schutt was easy and she did a good job getting through the process with MidCo representatives. Nelson stated that the new ordinance is not much different than the previous ordinance. Federal and State law allows the governance and regulation of video offerings. The franchise fee is set at 5% through the ordinance and the City has collected approximately \$142,000 in cable franchise fees from MidCo since 2014. The agreement also includes a PEG fee, which is a change from the existing agreement. PEG fees equal 40 cents per subscriber, paid to the City on a monthly basis. Monies generated through PEG fees can only be used to upgrade the City's cable equipment. Currently MidCo has about 2000 video subscribers.

**Mayor Earenfight closed the public hearing at 7:26 p.m. and re-opened the regular meeting.**

Administrator Piasecki reminded Council that the ordinance would be presented for adoption at the November 20<sup>th</sup> meeting. Upon adoption, the summary ordinance would be published in the City's legal newspaper and the ordinance would become effective January 1, 2018. Council questioned what would happen if the ordinance wasn't adopted. Attorney Schutt responded that if the ordinance wasn't passed, no entity would have the right to provide cable service within the municipal boundaries. Nelson added that MidCo would work with whatever ordinance the City adopted, either with or without the PEG fee.

No action taken.

**FINANCE REPORT – presented by Clerk/Treasurer Kary Tillmann**

**Certification Hearing – Delinquent Utility Bills**

Tillmann reported that on October 3, 2017, staff mailed 251 letters notifying residents of pending certification of delinquent utilities totaling \$43,092.23. This annual hearing is an opportunity for residents to appeal the pending certification if they so choose. A final certification list will be presented for adoption on November 20th. Final certification must be approved by Council at the November 20th meeting for submission to the County Auditor/Treasurer by the November 30<sup>th</sup> deadline. In the past, the County has allowed properties to be removed from the certification list into December and sometimes January of the following year, but there is no guarantee that they will continue to do so.

There was no one present to address the Council regarding the pending certification of a delinquent utility bill.

Consideration of 2016 Longevity

Annually, Council considers longevity payments to employees on years of service to the City. There are seven (7) employees eligible to receive longevity in 2017. Longevity is typically paid out with the first payroll in December, after it has been approved by Council.

**Brisbin/Whiting unanimous to approve the annual payout of longevity to the following employees who have achieved at least 10 years of City employment in 2017: Maintenance Technician Tom DeGreeff (10 years), Finance Technician Teri Grote (12 years), WW Plant Operator Mike Gwynn (17 years), Maintenance Technician Brett Johnson (12 years), Public Works Director Dave Johnson (25 years), City Administrator Randy Piasecki (23 years), and Clerk/Treasurer Kary Tillmann (11 years), with the first payroll in December 2017, according to the schedule established and approved by Council (Resolution #2000-12-11), on file in the City Clerk's Office.**

2018 Employee Compensation

Council agreed by unanimous consensus to discuss employee wages and health insurance benefits as part of a more robust 2018 budget discussion at the COW meeting on November 13<sup>th</sup>.

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

**PUBLIC HEARING – Vision Transportation Request for Tax Abatement**

Piasecki reported Vision Transportation has submitted an application for Tax Abatement consistent with the City's Tax Abatement Policy for property they own and are developing in the Public Safety Addition. They are requesting tax abatement to off-set increased project and construction costs, including the required construction of storm water basins on the property. Project costs are estimated to be \$1.2M, with construction alone exceeding \$1M. Vision will open the office/garage with 15 employees, and anticipates up to 25 within the first year of operation. In abatement, the property owner pays property taxes, and if they remain current on those tax payments, the City agrees to return a portion of city taxes on an annual basis for the term of the agreement

Financial Consultant Jim Casserly, Monroe Moxness Berg reviewed the application and provided a memorandum and supporting documents regarding the abatement request Casserly's review shows an estimated tax value of approximately \$600,000, generating in excess of \$5,000 per year in city taxes, which would be the amount available to the City to assist the developer through the abatement process. The Abatement Agreement outlines the terms of the abatement and project requirement, and is structured to abate 90% of the taxes payable each year, for the period 2020-2027 (8 years), or a maximum abatement of \$40,000 whichever occurs first. If the finished tax value of the property exceeds our estimates, the potential abatement would be paid faster than the 8 years. Likewise, if the value is decreased, there is a chance the developer would not collect the full \$40,000 over the term of the Agreement. This Abatement Agreement is similar to the Abatement granted to UMA Precision Machining in the amount of \$63,045 in 2013. The City makes annual payments to reimburse UMA consistent with the terms of their agreement with the City.

Mayor Earenfight opened the Public Hearing at 7:38 p.m. There were no questions from the public regarding the abatement request. Brief discussion was held by Council regarding staffing the facility and contractual costs for bus service paid by ISD 728 to Vision Transportation.

Mayor Earenfight closed the public hearing at 7:42 p.m. and reopened the regular Council meeting.

**RESOLUTION #2017-11-03 Smith/Brisbin unanimous to Adopt RESOLUTION #2017-11-03, granting a property tax abatement to Vision Transportation LLC for a period of 8 years, or a maximum amount of \$40,000, whichever occurs first, as recommended by staff.**

**PUBLIC HEARING – Vacation of Road Easement requested by Sherburne County**

Piasecki reported that the current County Public Works shop on the west side of the 7th Avenue South and 7th Street West intersection is not platted. All road right of ways exist via easements, with the County’s site having a 60-foot roadway easement on the south property line and a 30-foot roadway easement on the east property line. Sanitary sewer and water are installed under the improved streets, and under the unimproved 60-foot easement on the County’s south boundary. These lines extend westward and into platted utility easements in the adjacent Pioneer Ponds 4th Addition.

Sherburne County is requesting the City consider vacating the road easement as the street cannot be extended west beyond the County property due to existing residential development. The sanitary sewer and water mains lying within the current easement would remain and be covered by a drainage and utility easement. The County drafted and submitted an easement document for Council consideration. Staff supports the County’s request to vacate the road easement.

Mayor Earenfight opened the Public Hearing at 7:44 p.m. There were no comments from the public. The public hearing was closed and the regular meeting was reopened by Mayor Earenfight at 7:45 p.m.

**RESOLUTION 2017-11-04    Brisbin/Smith unanimous to adopt RESOLUTION #2017-11-04, vacating a 60-foot road easement lying over the southerly 60-feet of tax parcel 95-017-1100, as requested by Sherburne County Public Works, upon recording of a 60-foot drainage and utility easement over the southerly 60-feet of 95-017-1100.**

**Designation and Sale of County Tax Forfeited Land**

Sherburne County recently provided the City with a list of a tax forfeit parcels designated as non-conservation lands, and approved for public sale by the County Board of Commissioners. Since the properties lie within the City, Council must approve of the designation and consent to the sale. The City also has the opportunity to withhold properties from public sale if it wishes to consider acquire them for public use, or purchase the properties for economic development purposes.

Staff recommends the City withhold parcel 95-0472-1480 from the forfeiture sale and consider acquiring it at no cost for future public use. The parcel is 8,100 square feet in size and is located adjacent to 120<sup>th</sup> Street on the east side of Lake Fremont. The land area could be utilized for residential parking, storage of materials, or storm water management during future reconstruction of the Lake Fremont area. If no longer utilized for a public purpose in the future, the City could purchase, or “return” the property to the County for sale through the forfeiture process.

**RESOLUTION 2017-11-05    Whiting/Nathe unanimous to adopt RESOLUTION #2017-11-05, approving the designation and sale of tax forfeit property as requested and by the Sherburne County Auditor/Treasurer, withholding parcel 95-472-1480 from the sale, as recommended by staff.**

**MAYOR/COUNCIL ITEMS**

Mayor Earenfight noted the following upcoming events:

- November 1 – City-wide Winter parking rules went into effect. No parking on City streets between the hours of Midnight and 8:00 a.m. until May 1, 2018.
- November 10 – All City Offices closed in observance of Veteran’s Day
- November 18 – Passing the Bread Food Distribution; 9 – 11 a.m. – UMA Precision Machining
- November 23 & 24 – Thanksgiving Holiday – City Offices Closed

Tillmann advised that several residents called City Hall throughout the day questioning the location of polling places for November 7, 2017 Elections. Council was reminded that the City only has elections in even-numbered years, so there are no City Elections tomorrow. Election information can be found on the MN Secretary of State’s website, or by contacting the Sherburne County Auditor/Treasurer’s Office.

**Smith/Brisbin unanimous to adjourn the meeting at 7:55 p.m. Motion carried.**

Approved this 20th day of November, 2017.

s/s Kary Tillmann, Clerk/Treasurer

APPROVED 11/20/2017