

**MINUTES OF THE REGULAR MEETING  
OF THE ZIMMERMAN CITY COUNCIL  
MONDAY, OCTOBER 21, 2013**

**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, Clough, Laney and Mathison. Also present were City Administrator Piasecki, Clerk/Treasurer Tillmann, and City Engineer Bittner

**AGENDA APPROVAL**

**Brisbin/Clough unanimous to approve the agenda with the following additions:**

- **Fire Department Report – September 2013**
- **Dance Permit Application – The Whistling Pickle**

**APPROVAL OF MINUTES**

**Mathison/Brisbin unanimous to approve the minutes of the October 7 Regular Meeting of the City Council as presented.**

**CONSENT AGENDA**

**Mathison/Clough unanimous to approve the consent agenda as follows:**

- a. Approve the payment of claims (check #35547 - #35596) in the amount of \$27,676.60, and electronic payments (e-check #944 - #951) in the amount of \$34,454.40, as presented.
- b. Accept the Investment/Funds Report for August 2013 as presented.
- c. Accept the Monthly Budget Report for August, 2013 as presented.
- d. Accept the Investment/Funds Report for September 2013 as presented.
- e. Accept the Monthly Budget Report for September 2013 as presented.
- f. Approve payment to the Zimmerman/Livonia Fire Relief Association in the amount of \$65,180.63 (check #35598), as identified by the Minnesota Department of Revenue as annual State Aid.
- g. Approve payment to INNOVA Disc Golf in the amount of \$6,398.00 (check #35597) for 18 DISCatcher Permanent Frisbee Golf Targets, as identified on Invoice #286434, with funds to be paid from the Park Fund, as recommended by staff.
- h. Approve the permit application for public dances and entertainment to be held on November 1 and 2, 2013, until 1:00 a.m., as requested by The Whistling Pickle, 12606 Fremont Avenue, Zimmerman, MN 55398.

**OPEN FORUM**

**Ben Scheel, 12640 – 2<sup>nd</sup> Avenue North, Zimmerman**, was present to request the City include a portion of sidewalk near his house as sidewalk maintained by the City in winter. He is referring to an area of the street that contains 3 blocks of sidewalk with only 2 houses. He stated that since he feels he has lost half of his front yard due to the installation of the sidewalk as part of the 2013 Street Improvement Project, it makes sense to him that the City maintains the sidewalk.

**FIRE DEPARTMENT REPORT**

**Fire Chief Ryan Maloney** presented the Fire Department report for the month of September, 2013. The Department responded to 8 medical assists, a gas leak, 5 injury accidents, 3 fire alarms, a missing person search, a downed power line, 4 grass fires and 3 vehicle fires. Maloney reported that last week was Fire Prevention Week and the department educated about 1,500 elementary aged children. Kindergartners from Zimmerman Elementary had a field trip to the Fire Station.

Maloney also reported that on Sunday, October 20, the Department successfully conducted a water rescue on Lake Ann. Six duck hunters in a boat capsized around 6:30 p.m. The Department was assisted by the Sherburne County Sheriff's Department and Monticello/Big Lake Fire Rescue.

**Council accepted the Fire Department Report for September, 2013 by unanimous consensus as presented.**

### **PUBLIC WORKS REPORT**

**City Engineer Kevin Bittner** was present to discuss proposed assessments for the 2013 Street Improvement Project. At this time, the City is ready to move forward with the assessment process as required under MS 429. Resolutions were provided for consideration and adoption.

The first resolution declares a cost of \$246,036.75 to be assessed on the project, which is the amount calculated when bids were received. There have been no significant changes in the project that would affect project costs to be assessed. Jim Casserly, Financial Consultant, has suggested an interest rate of 4.5% for a 10-year term. If Council chooses, the term can be lengthened.

**RESOLUTION #13-10-03**      **Brisbin/Clough to adopt RESOLUTION #13-10-03, declaring the costs to be assessed for the 2013 Street Improvement Project and ordering the preparation of proposed assessments. Roll call on the motion: Brisbin, aye; Clough, aye; Earenfight, aye; Laney, naye; Mathison, aye. Motion carried.**

Bittner recommends the Council set the assessment hearing for Monday, November 18, at 7:00 p.m. or as soon as possible thereafter. Each affected property owner will receive a notice about the hearing via US Mail.

**RESOLUTION #13-10-04**      **Laney/Clough unanimous to adopt RESOLUTION #13-10-04, scheduling an assessment hearing for the 2013 Street Improvement Project for Monday, November 18, 2013 at 7:00 p.m. or as soon as possible thereafter and directing the City Clerk/Treasurer to provide notice of the hearing as required.**

Bittner reported that the concrete work for the improvement project is complete and the final bituminous will be done on Thursday or Friday this week. After that, all that remains is final grading work behind the curb areas and final seeding and restoration of properties. Member Clough questioned the status on the fence on Roger Munter's property. Piasecki stated that Munter removed the fence himself in order to remove equipment from the property.

### **REQUEST FOR GRANT FUNDING**

**Shirley Dettmer, 12624/12626/12628 Fremont Avenue**, was present to request for grant funding for improvements to her downtown properties. She prefaced her comments by telling the Council how grateful she was for the assistance of the City Public Works Department with a water/sewer issue at her property 2 weeks ago.

Dettmer continued that she and her husband have owned their downtown properties for about 14 years. According to her, they have spent thousands of dollars to improve the aesthetics of their buildings. Currently, the asphalt in front of her rental properties is eroding and is in need of repair. They have received a bid of \$5,800 to replace the asphalt in the area and are requesting the Economic Development Authority grant them \$5,000 for the repair. She has researched EDA programs in surrounding communities and believes that Zimmerman does not do enough to assist local businesses, compared to other communities. Dettmer sees no reason why EDA funds can't be used as grant money for local businesses.

Council discussed the concept of and agreed that it is a good idea. However, Administrator Piasecki pointed out that there are limited funds available that have unrestricted uses. At this time, there is not a mechanism in place to replenish those funds once they have been expended. Dettmer suggested Council consider a small tax levy across

all City properties to replenish EDA funds in order to provide grants for local businesses. Piasecki continued that TIF funds cannot be used for this purpose and in order to apply Dettmer's concept, the EDA would first have to develop a program with guidelines on how funds could be used and disbursed and then administer grants through that program. Dettmer suggested the City apply for State grant money to disperse for EDA purposes.

Council directed staff to research EDA grant funding opportunities and programs and provide information to the Council as it becomes available.

### **PARK BOARD REPORT**

**Tom Wilkinson, Park Board Chair**, provided an update of the October 9 Park Board Meeting. Wilkinson reported that the temporary electrical service to the Hockey Rink Warming House has been disconnected until a permanent service can be installed. Mike Yankowiak has received a quote from DJ's Electric in the amount of approximately \$5,000. He is confident he can secure \$2,500 in donations toward the expense and is asking for the City to match that with \$2,500 towards the cost. The Park Board recommends Council approve the expenditure.

**Brisbin/Clough to the expenditure of up to \$2,500 towards the cost of installation of permanent electrical service to the Hockey Rink Warming House with funds to be taken from the Park Fund (226) as recommended by the Park Board.**

**Brisbin/Clough unanimous to accept the minutes of the October 9, 2013 Park Board meeting as presented.**

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

#### 2013 Longevity Payout

Discussion was held regarding the granting of Longevity Pay for 2013. Annually, Council considers longevity payments to employees based on years of service to the City. Currently, there are 6 employees eligible for longevity, with a total payout of \$9,360.00. The impact on the General Fund is \$4,940, on the Water Fund is \$1,690 and the Sewer Fund is \$2,730.00. These amounts were included in the 2013 expenditure budget when it was approved last year. Staff was requesting discussion on whether Council would approve the payout of longevity for 2013.

**Mathison/Brisbin to approve the annual payout of longevity to the following employees: Mike Gwynn, Tom Haugland, Bruce Hooker, Dave Horvath, Randy Piasecki, and Dave Johnson, with the first payroll in December, 2013, according to the schedule established and approved by Council (Resolution #2000-12-11), on file with the City Clerk's Office.**

Member Clough requested that Council table action on 2013 longevity payments because he doesn't agree with giving employee raises twice in one year. He suggested Council grant a 2% COLA in 2014 if the economy supports an increase versus granting longevity pay in December 2013. Earenfight feels that longevity is warranted for employees, as evidenced by the length of service for those eligible. He believes that the cost to train new employees is far greater than the cost to retain existing employees. Brisbin suggested Administrative staff ask employees if they would be in favor of longevity payouts in December 2013 or a COLA in 2014.

The motion and second were withdrawn.

#### 2014 Budget Review

Tillmann reported that Council requested discussion of the 2013 General Fund Revenue and Expenditure Budgets at this meeting. Minor changes have been made to the budget since it was certified to Sherburne County after the September 9<sup>th</sup> meeting. Staff is requesting direction on any additional changes in order to prepare for the Public Comment Meeting on December 2, 2013. Detailed department budget were provided for review and discussion. Administrator Piasecki explained differences between the proposed budget and the 2013 budget, identifying

changes to Elections, Building Inspection, Streets, Parks and Public Safety. Mayor Earenfight stated he has discussed the 2014 Law Enforcement Contract with Sheriff Brott and hopes to have an updated cost at the next meeting. No action taken.

**ADMINISTRATOR’S REPORT** – presented by Administrator Randy Piasecki

**Request for Temporary Reduction of SAC/WAC Fees**

Staff has been contacted by Woodland Development requesting the City consider a reduction in the SAC/WAC fees to spur single family residential construction. Woodland is trying to promote its developments, and has interested builders who feel the City SAC/WAC rate is a deterrent to development. Woodland has requested a 50% reduction in the rate for 25 new single family home building permits. Currently, SAC and WAC rates are \$6,000 each for a total of \$12,000 per connection.

Staff is working with financial consultants Jim Casserly and Greg Johnson to update and review debt service and SAC/WAC projections. The City’s rates grow out of then-council’s decision that “new growth pays for itself”, meaning the debt for new water and sewer facilities would be paid for by new connection charges. This system was implemented in the late 1990’s when the new SBR sewer plant was constructed. Zimmerman rates have historically been higher than surrounding communities, but those rates are tied into debt service modeling and collection projections. Nine (9) surrounding communities were sampled to determine SAC/WAC rates, and the average charge is \$7,500 per unit.

Casserly and Johnson are working to determine if a temporary reduction is feasible, and if so, at what rate. Any reduction should also apply to all builders and developments, not just specific ones. Based on preliminary discussions with Casserly and Johnson, staff cannot support a 50% reduction as requested, but a 25% reduction for 30 SAC/WAC units a year could prove to be feasible. Staff is looking for direction from Council at this juncture. If Council is amenable to a temporary reduction, staff will pursue a reasonable figure, likely centered upon a reduction in the fee for a specific number of units.

Council discussed the current level of outstanding for the SBR and water treatment facilities. Piasecki stated that the City could still meet financial obligations with a temporary reduction in SAC/WAC fees. A reduction would make the City more competitive with surrounding municipalities. Member Clough suggested we also ask for the donation of park space in Maefield Estates tied to a reduction in fees since the Park Board was reviewing the development of a park in that area. Piasecki reminded Council that any reduction would apply to all areas of the City, not just certain developments. Council could also choose to apply any reduction only to residential construction.

Council requested staff arrange for Jim Casserly to be present at the November 4 meeting for further review and discussion on this topic.

**MAYOR/COUNCIL ITEMS**

**RESOLUTION #13-10-05      Clough/Brisbin unanimous to adopt RESOLUTION #13-10-05, accepting the donation of a 4 x 6 American Flag valued at \$40 for City Hall from the Zimmerman American Legion Post #560.**

Mayor Earenfight noted the following upcoming events:

- Passing the Bread Food Distribution -- October 26 from 8 – 10 a.m. at the Sherburne County Public Safety Center. Setup on Friday, October 25, from 9 – 12
- Celebrate the Season hosted by the Chamber of Commerce – Saturday, December 7 from 10 a.m. – 4 p.m.

Before adjourning, Mayor Earenfight asked for a moment of silence in honor of US Military Personnel and their families.

**Brisbin/Clough unanimous to adjourn the meeting at 8:05 p.m. Motion carried.**

Approved this 4th day of November, 2013.

s/s Kary Tillmann, Clerk/Treasurer

Approved 11/04/2013