

**MINUTES OF THE REGULAR MEETING  
OF THE ZIMMERMAN CITY COUNCIL  
MONDAY, DECEMBER 21, 2015**

**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, Mathison, Merwin and Nathe. Also present were Administrator Piasecki, Clerk/Treasurer Tillmann, and Public Works Director Johnson.

**AGENDA APPROVAL**

**Brisbin/Merwin unanimous to approve the agenda with the following addition:**

- **Request for Payment – Countryside Collision**

**APPROVAL OF MINUTES**

**Mathison/Nathe unanimous to approve the minutes of the December 7, 2015 Regular Meeting as presented.**

**CONSENT AGENDA**

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

- a. Approve the payment of claims (check #37645 - #37686) in the amount of \$28,770.76, and electronic payments (e-check #1261 – #1267) in the amount of \$46, 072.09 as presented.
- b. Accept the November 2015 Investment/Funds Report as presented.
- c. Accept the November 2015 Budget Report as presented.
- d. Accept the Memorandum of Understanding between the City of Zimmerman and Abdo, Eick & Meyers, for audit services for the year ending December 31, 2015, and authorize the City Administrator to sign said agreement on behalf of the City, as recommended by staff.
- e. Approve the re-appointment of Sheldon Shepard, Barry Rosar and Jeremy Nathe to the Zimmerman Planning Commission, each for a four (4) year term, expiring December 31, 2019.
- f. Adopt **RESOLUTION #15-12-03**, approving the write-off of 1 delinquent water and sewer account in the amount of \$13.87, as requested by staff.
- g. Approve financial assistance for the Lake Fremont Improvement Association in an amount not to exceed \$500, towards the electricity expense to run the aerator on Lake Fremont during 2015- 2016 winter season.

**OPEN FORUM**

**Dave Dillon, Store Manager, Casey's General Store, 13140 Fremont Avenue**, was present at the request of Mayor Earenfight to introduce himself and inform the public that Casey's General Store opened for business as of December 17, 2015. He advised that in addition to fuel, their kitchen is open 24 hours a day, offering a variety of pizzas, hot and cold sandwiches and pastries. With exception of the managerial staff, all employees are from the Zimmerman area. Mayor and Council welcomed Dave and Casey's to the Zimmerman community.

**LAW ENFORCEMENT REPORT**

**Patrol Captain Bob Stangler, Sherburne County Sheriff's Department**, provided an overview of activities for the month of November, 2015 and highlighted holiday tips in the most recent Preserving the Peace Sheriff's Department newsletter. Stangler stated that the highest percentage of drunk driving fatalities happen between Thanksgiving and New Year's Day. Currently, the Sheriff's Department is participating with other local agencies with extra DUI enforcement through January 2<sup>nd</sup>. In the month of November, the Sheriff's Department received 319 calls for service, including 64 traffic stops, as opposed to 309 calls for service in the same time period in 2014 and 417 calls in 2013. There were 31 citations issued, not including long form complaints. There was one residential burglary reported in November and suspects have been arrested. Fourteen thefts were reported in month with three arrests being made and 5 currently still under investigation. Seven property damage complaints were reported, 6 of which were motor vehicle accidents.

**Council accepted the Law Enforcement Report for November, 2015, by unanimous consensus as presented.**

**PARK BOARD REPORT**

The **December 9, 2015 Park Board Report** was presented by Councilmember Ron Mathison. The City skating rinks are not open yet, due to warmer than average temperatures in December. The Park Board also discussed the possibility of installing baby changing stations in the restrooms at the Civic Building in the City Park. Beginning in January 2016, the Park Board will meet the 1<sup>st</sup> Tuesday monthly. Currently, there are two vacancies on the Park Board needing to be filled.

**Mathison/Brisbin unanimous to accept the December 9, 2015 Park Board Minutes as presented.**

**PUBLIC WORKS REPORT – presented by Public Works Director Johnson**

Introduction of New Employee

Public Works Director Johnson introduced Blake Bistodeau, Maintenance Technician, to the Council. Blake began his employment with the City on November 18<sup>th</sup>, coming to the City with 5 years of municipal Public Works experience.

Accept Donation for Park Benches

The Valerius Family has made a donation to the City Park Fund for the purchase of Park Benches to be located in various locations in the City, in memory of Arthur Valerius.

**RESOLUTION #15-12-04 Nathe/Merwin unanimous to adopt RESOLUTION #15-12-04, accepting a donation in the amount of \$2,188.00 from the Valerius Family for two park benches in memory of Arthur Valerius. Motion carried.**

Request for Payment – Countryside Collision

On November 30, 2015, one of the City's plow trucks was damaged while plowing snow. The truck needed to be repaired as soon as possible in the event there was another snow event. The invoice has been presented for payment by Countryside Collision Center. The cost of the repair exceeds the spending limits identified in the Purchasing Policy approved by Council on March 16, 2009, which states that any expense over \$5,000 in price must be approved by the City Council. A claim has been submitted to the City's insurance company to cover the cost of the repair, less our deductible.

**Brisbin/Nathe unanimous to approve payment to Countryside Collision Center, Inc., in the amount of \$6,147.10 (ck #37687) for repairs to the 1994 Ford plow truck, as identified on Invoice #2403, with funds to be paid from the Street Department (101-43100-425), as recommended by staff. Motion carried.**

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

Payment for Professional Services – Fremont Drive Realignment (Bolton & Menk)

Clerk/Treasurer Tillmann advised Council that Kevin Bittner, City Engineer, provided a memo detailing the charges on Invoice #184558, including copies of project plans for the City's portion of the 2016 Fremont Drive Realignment project.

**Nathe/Brisbin unanimous to accept Invoice #184558, authorizing payment to Bolton & Menk in the amount of \$23,756.50 (ck #37643) for Project Management Services related to the Fremont Drive Realignment Project, for the period of September 26 – October 23, 2015, as recommended by staff. Motion carried.**

Consider 2016 Reduced Residential SAC/WAC Rates

Staff has been reviewing the City's cash flow information and discussing a potential reduction to SAC/WAC rates in 2016 with Financial Consultants Jim Casserly and Greg Johnson, after direction of the Council at the December 7<sup>th</sup> meeting. In 2014 and 2015, Council approved a temporary reduction in rates in an effort to encourage construction, which resulted in 63 new housing starts in 2014 and 2015. Staff anticipates builder interest to continue, and based on financial projections and in-depth review, Casserly and Johnson believe it is feasible to extend the discounted residential rate without negatively impacting the City's long-term financial projections and strategies.

Casserly and Johnson confirm staff's recommendation to again offer a reduced 2016 SAC/WAC rate, including an increase in the total fee and a decrease to the number of discount units. Staff recommends an increase from to \$11,000 (\$5,500 each) for the first 30 residential units, an increase to \$12,000 (\$6,000 each) for residential units 31-60, and an increase to \$12,500 (\$6,250 each) for residential units numbering from 61-90. Commercial connection fees would each increase from \$13,000 to \$13,500, or (\$6,750 each). If approved by the Council, the new SAC/WAC rates would be included for adoption in the proposed 2016 Fee Schedule.

Mayor Earenfight questioned if payment deferral of SAC/WAC fees would still be offered in 2016. Piasecki stated that staff continues to make that option available to builders. It has been very well received and staff sees no reason to stop offering that option.

**Mathison/Brisbin unanimous to approve the temporary reduction in the 2016 Residential SAC/WAC fees to \$5,500 per SAC and \$5,500 per WAC unit for the first 30 connections, \$6,000 for SAC and \$6,000 for WAC for connections 31-60, \$6,250 for SAC and \$6,250 WAC for connections 61-90, as recommended by staff and the City's Financial Consultants. Motion carried.**

Public Hearing – Proposed 2016 Fee Schedule

**Mayor Earenfight closed the meeting at 7:25 p.m. for the purpose of conducting a Public Hearing on the proposed 2016 Fee Schedule.**

Administrator Piasecki identified proposed changes to the 2016 Fee Schedule, to include increases to Sewer and Water connection fees as recommended by the City's Financial Consultants. Changes in the schedule include reductions in the photocopy charges, county-mandated increases to the compost access fees, and an increase to SAC/WAC rates as previously discussed. All other fees and charges will remain the same as the current fee schedule at this time. Staff will bring a recommendation later in 2016 regarding water and sewer rates, after the City Auditor completes the rate study previously approved by Council. Rate recommendations contained in that study could be considered for adoption and implementation either mid-year or year-end, depending upon cash flow reviews.

Comments were heard from **Wendy Kowalski, 26412 Lake Avenue**, who questioned what the number of the new Fee Schedule ordinance would be. Piasecki stated that this ordinance that would replace the fee schedule ordinance previously adopted by Council and would be effective January 1, 2016, upon publication in the City's legal newspaper on December 26, 2015.

**Mayor Earenfight closed the public hearing and reopened the meeting at 7:29 p.m.**

**RESOLUTION #15-12-05 Merwin/Nathe unanimous to adopt RESOLUTION #15-12-05, approving Ordinance No. 323, adopting the 2016 Fee Schedule and authorizing publication of the summary ordinance as presented and recommended by staff. Motion carried.**

**Mayor Earenfight declared a recess at 7:30 p.m. to convene a meeting of the Economic Development Authority. The Council meeting was reconvened at 7:47 p.m.**

2016 General Fund Budget and Levy

Council has reviewed the General Fund Budget since presented in August 2015. In September, Council certified a preliminary levy of \$1,529,092, which included special levies for debt service and capital improvements (\$106,000). The proposed budget and levy was discussed at the public comment meeting on December 7, 2015, and reductions have been made to the expenditure budget based on Council direction and action on 2016 employee wages. The proposed final levy totals \$1,482,000, including the special levies for debt service and capital improvements. The expenditure budget totals \$2,442,610 as amended by staff. The final levy must be certified to the County Auditor/Treasurer by December 28, 2015.

**RESOLUTION #15-12-06 Nathe/Brisbin unanimous to adopt RESOLUTION #15-12-06, approving the 2015 General Fund Levy for taxes collectible in 2016 as follows: General Fund, Parks and Capital Expenditures: \$1,376,000; Capital Improvements: \$37,000; Debt Service: \$69,000, for a total levy amount of \$1,482,000, upon taxable property in the City of Zimmerman. Motion carried.**

**RESOLUTION #15-12-07 Brisbin/Nathe unanimous to adopt RESOLUTION #15-12-07, approving the 2016 operational budget for the General Fund and Parks in the amount of \$2,442,610, as presented, and as recommended by staff. Motion carried.**

2015 LMCIT Insurance Dividend

Tillmann reported that the City recently received its dividend from the League of Minnesota Cities. This year's dividend totaled \$20,216, which is about \$16,000 more than usual. Dividend amount are determined by LMCIT based on earned premiums versus loss data for LMCIT members. No action taken.

**ADMINISTRATOR'S REPORT**

Decertification of TIF District #2

Administrator Piasecki reiterated that TIF District #2 will reach the end of its 25-year life on December 31, 2015. TIF #2 is home to Holiday, the Longhorn Café, Frontier Liquor, an office building and Pro-Build. District #2 has an existing cash balance, but no longer has any outstanding obligations, as all development contracts have been executed.

Staff has been working with financial consultant Jim Casserly on the decertification of District #2 and the overall cash flow review of all District Funds. Included in the Council packet is a memo from Casserly summarizing the cash flow, the decertification of District #2, and recommendations for year-end transfers. Specific to the decertification, and as noted in the memo and attached resolution, \$34,462 of District #2 funds are recommended to be transferred to the EDA Fund for administrative fees incurred over the life of the district. The remaining funds, approximately \$20,500, are recommended to be expended for the pending Fremont Drive Realignment Project, as this project lies within and adjacent to TIF District #2 boundaries. A similar resolution was executed by the EDA during their earlier meeting, authorizing the decertification and direction to transfer funds to allocate the approximate \$55,000 fund balance.

**RESOLUTION #15-12-08 Brisbin/Merwin unanimous to adopt RESOLUTION #15-12-08, decertifying Tax Increment Finance District #2, as recommended by staff and the City's Financial Consultant. Motion carried.**

**MAYOR/COUNCIL ITEMS**

Mayor Earenfight noted that all City offices will closed at Noon on December 24<sup>th</sup> and will be closed on December 25<sup>th</sup> in celebration of the Christmas Holiday and January 1st in celebration of New Year's Day.

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

**Merwin/Nathe unanimous to adjourn the meeting at 7:55 p.m.**

Approved this 4th day of January, 2016.

s/s Kary Tillmann, Clerk/Treasurer

Approved January 4, 2016