

THURSDAY, SEPTEMBER 5, 2019 COLD SPRING CITY COUNCIL SPECIAL MEETING MINUTES

Mayor Dave Heinen called the meeting to order at 8:00 a.m. The following members were found to be present: Mayor Dave Heinen, Jayme Knapp, Gary Theisen, Doug Schmitz and Shannon Miller. Others present: Brigid Murphy, Kris Dockendorf, Dan Weber, Jon Stueve, Jason Blum, Nadine Schnettler and Richard Schreiner.

APPROVAL OF THE AGENDA

MOTION WAS MADE BY THEISEN, SECONDED BY MILLER, TO APPROVE THE AGENDA OF THE SEPTEMBER 5, 2019 SPECIAL MEETING OF THE CITY COUNCIL. MOTION PASSED 5-0.

2020 PROPOSED BUDGET DISCUSSION

Fire Budget - Dan Weber

Chief Weber presented each line item of the expenditure budget. He has requested a pay increase from \$11.50 from \$11.25. He requested that travel and school budget increase to allow for 4 members of the department take a class to become an EMT from First Responders. Chief Weber has requested to purchase a new fire truck in 2020. One quote is for \$660,000.00. Council Member Theisen asked about whether a ladder truck was ever considered. Dan stated that they cost about \$1,600,000.00. Council Member Schmitz asked the balance of the truck fund and how the balance of the cost of a truck will be covered. Murphy stated that the plan is an inter fund loan. Dockendorf took the price of the truck and reduced by the various funds to get the balance of the truck would be roughly \$300,000. Murphy and Dockendorf stated that the cost of the truck does not include any grants so the budgeted number could go down. The estimated annual cost for the truck is \$48,133.00. Mayor Heinen asked about how many members the department was short. Weber stated he is down two and would like to start the hiring process at the beginning of the year. Dockendorf went through the department revenues. Member Schmitz asked if the contracts will be renegotiated. Murphy explained that the interpretation is at issue and the number could change for what the revenue will be for next year. Weber inquired about the building plan and if that is in the budget. Murphy stated that the building fund has enough of a balance to be used to request the RFP for the building.

EDA Budget - EDA members, Brigid Murphy & Kris Dockendorf

Murphy reviewed the EDA expenditures and informed the council that the CEDA fee is not increasing for 2020. Murphy stated that the EDA would like to do some marketing with some projects that are under development with the Cold Spring Chamber of Commerce and with the cities of Richmond and Paynesville. Member Knapp did say that the marketing money will not be spent until a plan, execution and actionable receivables before the money will be committed.

The EDA revenues were reviewed by the Council. Murphy and Dockendorf explained that the debt for the EDA is coming down due to the sale of the vacant lots in Blue Heron Heights and the Brewery in the Business Park. Murphy explained that she and Dockendorf anticipate the debt for the EDA will be wiped out within 10 years.

Administration Budget - Brigid Murphy & Kris Dockendorf

Member Knapp discussed the potential for a pay increase for the council. One reason for the increase is that perhaps it will drive people into being interested in running. The council approved a \$25 a month increase for each member for a total increase of \$1,500.00 from 2019. Murphy went through the line items. Member Theisen asked if insurance has been reviewed lately. Murphy and Dockendorf did say that it has been a while.

Murphy discussed the increase in the election budget due to the County requesting to have the City provide in person absentee voting before each election.

Murphy reviewed the general government expenditures and asked that the Council discuss the request to fund the senior center from Nadine Schnettler's presentation earlier. Nadine Schnettler and Rich Schreiner both spoke of the importance of the senior center. Murphy stated that she had thought of proposing \$5,000.00 for the senior center. The council agreed to the \$5,000 and hoped that the senior center would use that donation for a way to seek funds from other jurisdictions. Kris reviewed the Building Department expenditures and revenues and stated that the projections were revised to be more realistic to what the actual expenditures and revenues have been historically. The budgets for the last couple years have been quite a bit lower than the budgeted numbers.

Dockendorf stated that she contacted EMS and Library and since neither asked for any increase their budget they did not attend.

Murphy went through the revenues for liquor and she and Dockendorf discussed an issue with the Liquor Ordinance and sought input for changing the ordinance.

Member Knapp asked what the refuse hauling fee is and asked if it can be increased. Murphy thanked Knapp for that question and discussed that two of the three haulers have merged. She explained that she has received inquiries about changing it to 23 haulers. Member Schmitz stated that Waste Management and Affordable Disposal both do a turn-around in the cul-de-sac. Council stated that they would like to have the applicants pay more and reduce the number of haulers. Murphy will review what fee amount can be charged. Murphy will check into limiting it to two haulers and setting the fee at \$1,500 or leave it at 3 and raise it to \$1,000. The council recommended reviewing the language of the ordinance to meet this revenue projection.

Police Budget – Jason Blum

Chief Blum reviewed the police department budget. The largest increase for the department is the addition of the full-time officer. The overtime and the part-time budgets are anticipated to go down since there is an additional person. Blum asked to install a scheduling software that would be available to have a cellphone app to allow for the reduction in the amount of time that Stg. Spoden spends monthly working on the schedule. It will allow for more real time tracking. The software is a \$2,000 and is an annual fee for the program. The equipment budget includes the annual cycle for equipment, 2 computers for the office, one is a replacement for Angie's computer, 2 pistols, stop sticks and ammo.

Blum discussed the Capital Expenditure. The amount includes a new squad and the cost of installing the equipment. Blum informed the council of information that he and Officer Revermann received at a training regarding the evidence room that is currently used by the department. It would not pass an audit. The City's procedures and processes are completely outdated. He would like to add new evidence tracking software, wireless router and computer. The cost is \$5,900 and then a yearly fee of \$695 for updates. This is the same program that other cities in the area are employing. He also spoke with Jon and Pete about reconfiguring the evidence processing and entering into the system. The room itself is in need of alterations. The council agreed to include the initial installation of the software & computer. The gambling fund may allow for the evidence room remodel with those funds but if not, the cost of allowable expenses can be taken from the gambling fund.

Chief Blum reviewed the revenues and explained that he would be selling one of the Impala vehicles.

Parks Budget - Jon Stueve

Member Theisen asked that Dockendorf provide the council, Murphy and Stueve the budget for the Alexander Park to add to the discussion about the Park Department Budget. Stueve reviewed the line items for the department. He added some engineering costs for the Stormwater in the baseball park parking lot. The Capital request was for \$99,300 to cement the rink, \$27,300 to tar the baseball park parking lot, install a fence for a dog park and \$45,000 for the Rocori Trail. Member Theisen asked Murphy what that \$45,000 for the Rocori Trail is. Murphy discussed where the Rocori Trail Funding is at from the LCCMR and Bonding Bill process. This amount is an estimate of the City's potential cost. Murphy did say that the construction will not likely be done until 2021 and so any short fall in funding might not be required until that budget year. Member Schmitz asked if the Alexander Park is included in the budget items for the electric, insurance and other standard operations.

The potential shortfall plan and the long-term operation of the park was reviewed by Member Theisen. Member Knapp was concerned about all the tax payers donating to the park and also levying the shortfall of the park on them. Knapp proposed that any shortfall be paid with reserves and the gambling fund balance. The council approved \$50,000 to be taken from the gambling fund and any remaining shortfall be paid out of reserves. The council agreed with that suggesting the Park Department budget item Capital Expenditures were reduced by the Rocori Trail request. Stueve next reviewed the Parks Revenues.

Streets & Stormwater Budgets - Jon Stueve

Stueve reviewed the Stormwater and Streets Department Budgets. Stueve reviewed the Stormwater expenditures and revenues and did not have any significant changes from the 2019 budget.

Stueve reviewed the Streets and Snow Expenditures. Salaries is increasing because of the new hire to replace a retiring staff person. Equipment went up due to a request to purchase a bucket for the skid loader, snow pusher, a computer scanner for vehicles for the new mechanic, a skid loader, a trailer and a gator. Equipment parts and material was increased due to the request to purchase an extra wing and post for the plow truck and tires for a skid loader. Streets are not seeking any capital expenditures for this year. The 2020 seal coating is requested to be increased since it was not completed this year. This year's repair budget will be used to repair the intersection of 9th Avenue N and 2nd Street N.

The revenues for Streets were reviewed with no new increases.

Water & Wastewater Budgets - Jon Stueve

Stueve reviewed the water department expenditures and included the water treatment plant and radio reads for meters as the major capital expenditures. The wellhead protection expenditures went down due to only applying for the implementation grant from MDH. The revenues were reviewed.

Stueve reviewed the sewer budget by line item. Insurance costs were discussed because several of the city properties were recently reappraised by the League and those premiums were increased. Stueve discussed the engineering fees for sewer due to the Brewery increasing their production. This expenditure for engineering may change with the discussions with the Brewery for some expansion at the Brewery. If the waste from the Brewery would be in the City's sewer system, there would not be the smell that can happen from time to time when their left station gets overwhelmed. Equipment was increased on the expenditure due to scanner, pumps, high tide and other Ph monitoring. These could vary once the Stantec proposal is received. Building and grounds were increased due to the sealing on the concrete structures and precast walls at public works. Capital expenditures were increased for a truck purchase and a lift station at the Brewery and directly running it to the Brewery. This would open up 70% capacity to the lift station in Frogtown. Dockendorf then directed the council to see that there is a grant available for the City to pay for 50% of the \$750,000.00. Dockendorf stated that we budgeted for the Brewery to contribute a minimum of 25% of the matching cost of the project.

Stueve stated that the next year or two will be a very complicated process and the project size and scope could be changing quickly. Stueve explained that not only will there be a wastewater project that is due to the needs of the Brewery, there is also a water need that will bring the city well property into the system as well.

Stueve reviewed the revenues and there were no significant increases anticipated. Member Theisen asked if he believes that the staffing in his departments is sufficient. Stueve believes that with the splash pad and potential wastewater expansion and water treatment plant, there may be a need for additional staff, one street staff person and one water staff. He is currently anticipating that the 2020 summer season with the addition of Alexander Park will be manageable provided the timing for the hiring of summer help and the permanent part-time position filled. Stueve reviewed the future of the water, streets and wastewater departments for the coming years.

Council Review of the Proposed 2020 Levy

Dockendorf reviewed the changes that were made during the department reviews. The \$1,500 increase to the council salary, the \$5,000 donation to the senior center, the \$5,900 evidence software increase, the removal of the Rocori Trail funds of \$45,000, the two changes for the Alexander Park that did not have dollar amounts and insurance for the splash pad. The increase to electrical cost for the parks was increased by the council by \$2,000.

The changes resulted in a net reduction \$27,775. Dockendorf brought to the attention of the council that there is a fund that has a balance of \$5,252. That fund was created for the payments received from baseball park rentals. At some time in the past, those rental fees were placed in the general fund. Dockendorf proposed using that fund to offset the cost of the parking lot paving for the baseball park and the council agreed. The net result was to bring the proposed total levy to \$1,841,979. Dockendorf asked if there were other items to discuss before she runs the numbers. Murphy asked if there is a number that the council wanted to target. Murphy explained that the tax increase is based on the new construction increases and not the total tax capacity increase. Member Schmitz asked to see what these changes would do to the taxes.

The council discussed taking the squad car out of the gambling fund, removing the concrete for the rink and taking out the fire truck payment for 2020 since the truck may not be delivered until 2021. This brought the levy down to 1,727,846 or .88% increase.

General Questions and Comments from City Council or Public

The Mayor asked for any questions from the Council. None.

Adjourn

MOTION WAS MADE BY THEISEN, SECONDED BY MILLER, TO ADJOURN AT 12:28 P.M. MOTION PASSED 5-0.

Next Scheduled Regular City Council Meeting September 10, 2019