

**COUNCIL MEETING MINUTES**  
**January 8, 2018**

The meeting was called to order at 6:00 pm by Mayor Werner. The Pledge of Allegiance was recited by those in attendance. Present for the meeting: Mayor John Werner; Councilors Greg Andrews, Suzanne Herstad, Bob Quade, and John Goman; Clerk Joan Jauss, and the attached list of public.

**PUBLIC DISCUSSION:** Holly Herstad, 4252 W. Beyer Road: Holly requested an electronic copy of the meeting agenda's, that the Council receives on the Friday's before the meetings be posted on the City's website prior to the meetings. This would increase communications and give access to the information prior to the meeting. She is inquiring as to the status of the long-range plan spreadsheet she suggested at the truth and taxation meeting in November, she did not see it on the website. She asked that the worksheet be prioritized and identify as to where the funds are coming from, so the citizens can be informed. Holly stated Council did not include all the spending in the 2018 budget, she noted the sheriff, ditch 14, and new equipment being purchased were not included. Holly stated at the truth and taxation meeting in November the road budget was over by just under \$200,000, the road projects were budgeted for \$89,000. John W. asked what the exact amount was, Holly stated \$199,344.71. She feels the reason for the over spending was due to a resolution authorizing the road supervisor approval authority to spend up to \$25,000 without full Council approval, she is asking that this resolution be eliminated. In the December 11, 2017 minutes, Holly stated there was a motion to move levy money and it did not identify the amounts or where the money went. The November 13, 2017 minutes stated the W. Calvary bond is \$480,000 underfunded, this was mishandled, or misinformation was given. Holly is requesting the deferred payments be read into record, including the number of delinquent accounts and amount of the delinquency. John W. stated, Holly should know this information as she handled this as the treasurer for the City. Some of the other issues are past practices and up to Council as to how they would like to handle them. John W. stated all the water issues we had this past year with the roads, i.e. culverts, road washouts, these questions were under Holly's watch as treasurer, why are the questions coming up now. Holly stated by the time she received the bills it was too late, it was her job to pay the bills not approve them. John W. noted that is correct, it was her job to pay, not make the decisions. It is his decision to repair the roads as needed. Holly requested all road expenditures made since May be read into record. John W, stated duly noted.

**CORRESPONDENCE:**

Letter from St. Louis County Planning stating they are looking to amend Ordinance #60 Subdivision; safe routes for school. There will be a public hearing on February 8<sup>th</sup>.

Minnesota Safety Council is holding a workshop on Emergency Management Panel on January 30<sup>th</sup> if anyone is interested.

General Correspondence

**CONSENT AGENDA:**

Minutes

December 26, 2017 City Council minutes

Executed Claims:

General fund checks – 12208 – 12251 and 452E and 453E

Payroll checks – 1096 - 1139

Fair Housing Authority – none

Resolution:

Resolution 18-01-01 Making appointments to certain offices and positions within the City of Rice Lake for the year, setting salaries and employment terms, and establishing meeting times.

Resolution 18-01-02 Appointing a City Insurance Agent

Agreement:

Professional services agreement between City of Rice Lake and South St. Louis Soil and Water Conservation District

Greg made a motion to approve the consent agenda with a second by Suzanne. All vote in favor. Motion passed.

**COUNCIL REPORTS:**

**Greg** stated working on refurbishing 3<sup>rd</sup> Ave. S. sewer, all else is good at this time

**Suzanne** stated she has nothing at this time

**John W.** stated he has nothing at this time

**Bob** stated he has nothing at this time

**John G.** stated he has put on Craig's List items for sale. The rear bumper, front air dam, tailgate, sander and a transfer pump have been put up for sale. Joan is the contact person for the items.

**DEPARTMENT REPORTS:**

**Financial Report:** Council received copies of the Cash Report and Revenue and Expense Summary,

**Building Department:** Joan read the following report into record as prepared by Toni Blomdahl.

Type of Permit Issued	# issued
• New Home	1
• Roof	1
• Siding	1
• <u>Gas Line</u>	<u>3</u>
<b>Total issued</b>	<b>6</b>

Total valuation of projects: \$ 275,383.00

Fines \$ 0.00

Total fees assessed: \$ 2,302.62

**Planning & Zoning report:** Teresa Koivula read the following report into record.

- Citizen complaint: 2
- Onsite visits: 5
- Outgoing correspondence: 1
- Preliminary lot line/minor subdivision review: 3
- Zoning violations abated: 2
  - a. Progress towards compliance: 4
- Workshop Nov. 15 and 16: Comprehensive Planning

**Public Works/Road & Bridge:** Joan read the following report into record as prepared by Justin Schendel.

- Changed engine oil in Ford F-350 at 2677 miles.
- Corrected headlights on Boss DXT plow.
- Shut down remaining combination valves 3 and 4 on West Calvary to prevent possible leakage during winter months.
- Fixed break small break in Bay #2 drain.
- Assisted Midway Sewer with cleaning Public Works grease trap.
- Assisted building inspector with Firehall grease trap inspection.
- Put mowers outside on concrete pad, wrapped and removed batteries.
- Used sea foam on Colorado to treat engine problem.
- Exercised Booster station pumps weekly.
- Plowed all City properties as required.
- Replaced broken wing spring on Boss DXT plow.
- Had Harness replaced on plow and truck by United Truck Body after connections had spontaneously melted.
- Used loader to push back banks at City Hall and Fire Hall.
- Changed hydraulic fluid on Boss DXT plow which is to be done annually and degreased.

- Fixed Light on Boss DXT plow by retapping the light mounting plate to 5/16 by 18 inch threading.
- Put up sign on Recycle shed building for WLSSD.
- Greased electric gate chain and adjusted.
- Used loader to scrape dangerous ice on 3rd Ave south.
- Used loader to scrape ice bumps down at Firehall by garage doors and salted.
- Opened up a path behind City Hall from sidewalk to Recycle shed with snow blower.
- Changed out one water meters.

**Fire Department:** Chief Niemi read the report into record.

**Total Calls:**

- December Total Calls Responded to was 14.
  - 10 Medicals
  - 2 Automatic Fire Alarm
  - 1 Structure Fire
  - 1 Carbon Monoxide Alarm
- Total Calls Responded to in 2017 was 222
  - Total volume of responses medical in nature – 126 or 56%
  - Total volume of responses Fire Department in nature – 96 or 44%

**OSHA Update**

- Violation abatement was completed in full on December 21<sup>st</sup>. Abatement paperwork was emailed in at this time and Joan was CC'd a copy of it for the city records.

**2017 get Year End Revenue/Expense**

- Based on the year end statement received from the City, the FD overspent the budget by \$2,100. This included all of the equipment purchased for the new engine. To balance the Fire Department budget, I'd like to request that \$2,100 be moved from the Fire Equipment Investment Fund.

Mark stated he has a grant coming from the DNR for \$2,400, once the grant is applied, if they are still over budget, will need to take the funds from the investment to balance.

**Staffing**

- As of December 31<sup>st</sup>, 2017, Scott Twining retired with 28 years of service.
  - Transitioned to our reserve firefighter ranks
- Also, as of December 31<sup>st</sup>, 2017 Mike Ganser retired with 31 years of service.
  - Plans to eventually move to our reserve firefighter ranks, but will be taking some time for himself for a little while.

John W. asked how many active members they have, Mark noted 24.

**New Engine 1**

- The new engine is here and is about 85% outfitted. We have a few people that are signed off on operating it. The truck is now in service and operational for us as needed.
- We should have it completed to 100% operational by end of the month.
- Having the new engine arrive and be placed in our south hall was a big moral boost for many of the members on the department, and we'd like to extend our appreciation to the council and city staff for making the project happen.

**Sale of 1987 Fire Engine**

- Seems as though most similar models and aged apparatus are selling anywhere between \$12,000 - \$20,000. Unknown any if any of those apparatus have mechanical issues etc.
- We will have this winterized within a couple weeks.
- We still need to remove the mobile truck radio from the apparatus.

The 1987 fire engine will be available for sale within the month. John G. asked the best way to sell the engine. Mark stated, the City may want to use a 3<sup>rd</sup> party company or go through the Minnesota's Chief Association. Suzanne asked if the truck has any issues. Mark noted the pump test failed and engine cooler system has been bypassed, also burns oil.

### **DNR Cooperative Contract**

- I updated our DNR co-op contract to reflect the new engine. We were able to increase our billable rate for this piece of equipment to \$300 per hr. working and \$150 per hr. for standby.

### **State Fire Aid**

- Paperwork for the 2018 state fire aid money has been completed and sent into the state.

### **2018 FEMA AFG Grants**

- I have asked our grant writer to pursue an AFG grant for a new enclosed compressor bottle fill station. The quote that was received for this project from Alex Air was \$47,000. This is the only item I have asked the grant writer to go after in hopes that we have only 1 item to be reviewed and maybe increase our chances of a grant award.
- Our grant writer also agreed to do this at a 50% discounted rate due to her unsuccessful attempt last year. Total cost of \$500

Suzanne asked what an enclosed compressor SCBA bottle filler is, Mark explained it is a bottle filler to fill the SCBA bottles. Currently they have a cascade system that can only fill five or six bottles before the pressure too low to do more, and then they are unable to top off the rest of the bottles. The current compressor also does not have an enclosed safety case to fill the bottles, the new system will have, and it can handle filling all the bottles. If they get the grant they will get rid the current system.

### **Recently Acquired Equipment**

- Through the DNR Federal Excess Property Program we were able to acquire 15 pulse oximeters as well as a RAD-57 Pulse and Carbon Monoxide oximeter with upgrade kit.
- The RAD-57 is a piece of equipment with a value of nearly \$11,000.
- The pulse oximeters are roughly \$50 a piece for a total of \$750.

### **New Equipment for 2018**

- Higher priced items we will need to purchase throughout this year include, Extrication Equipment, additional spare SCBA bottles, air compressor for south hall, and additional individual gear storage lockers for the south fire hall.
- Our need for extrication equipment is clearly apparent after a make up auto extrication training was held in December.
- Our current auto extrication equipment failed to operate the most basic of tasks with cutters not cutting parts of an older vehicle, spreaders bottoming out to not complete the spreading task, and not having enough pressure (operates in a low pressure system vs. today's newer equipment operating in a high pressure system) to properly work.
- What I would like to propose and ask for permission to move forward on is a purchase of the new set of extrication equipment with funding coming from multiple avenues:
  - Total Cost of Project is \$30,000
  - Minnesota Power Challenge Grant \$10,000
  - Propose to use \$7,000 from 2018 operating budget
  - Propose to use \$5,000 from equipment investment fund
  - Fire Department Relief Association will donate the remaining \$8,000

Mark requested approval to purchase new extrication equipment. Greg made a motion to approve the purchase new extrication equipment. Bob second the motion. All vote in favor. Motion passed. John W, asked if the extraction equipment is a saw, Mark stated no it is a spreader and it will also have batteries and an adapter.

### **Fire Department PERA retirement review**

- I asked for Joan to request a cost analysis of our PERA retirement account for the purpose of determining the ability to raise the benefit level members are eligible to receive per good year of service.
- That cost analysis has come back, and I would like to request a time to sit down and discuss the potential options for an increase to that annual retirement benefit level.

**Park:** None

**Animal control:** Joan read the following report into record as prepared by Gloria Dallum

- Hours worked 26.05
- Miles driven 49
- License fees collected \$12.00
- Fines issued \$0
- Dogs to kennel 0
- Dogs to pound 0

**Utilities:** Joan read the following report into record

- Monthly meter readings were done
- 3<sup>rd</sup> Ave. S. sewer line replacement is to go out for bid next month
- Rice Lake water and sewer rates were increased effective January 2018
- Utilities Commission is working on new I&I ordinance
- Utilities Commission did not meet in December

**Sheriff:** none

**Sewer and water report:** In Council's packet

**NEW BUSINESS:**

**Fire Department PERA:** Joan shared a copy of the benefit level analysis she received from PERA for the fire department retirement fund with Council. This analysis shows the benefit level if it stayed the same, or is increased from \$2,000 up to \$2,400. Mark stated this analysis shows the fund is solvent and the benefit level could be raised up to \$2,400 without increasing liability. The benefit level is based on trends and currently the fund is getting around 10.5% rate of return. Mark explained at five years a fire fighter is 40% vested and at twenty years they are 100% vested. If a firefighter moves to another PERA fire department their investment will go with them, otherwise the investment stays with the Rice Lake fund. A fire fighter cannot draw until they are 50 years old or more, and the fire department fund gets the interest until they draw out. Retirements are figured into the analysis. The PERA account gets funded with the annual two percent state aid and the investment return. Currently the investment is taking in more than it requires. If they were short the City would have to make up the difference. Greg explained further how it works. Mark requested the Council to increase the benefit level to \$2,400. Greg recommended increasing the level to \$2,300. John G, and John W. agreed they would like to maintain a small cushion. Greg made a motion to increase the benefit limit to \$2,300 with a second by John G. All vote in favor. Motion passed.

**Utilities checking balance:** Joan shared a spreadsheet showing the balance of the water fund is currently \$19,000 and the sewer fund is (\$5,500).

**UNFINISHED BUSINESS:**

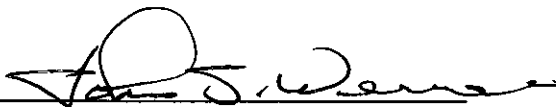
**Building Department revenue:** In follow up to the work meeting, Joan shared the revenue guideline report showing the revenue for the building department in 2017 is \$139,101.

**Minnesota Public Utilities Commission (PUC) letter:** Joan shared a draft copy of the letter Mike Couri, City Attorney drafted. Greg asked if other Cities are sending a similar letter. John W, stated yes, Proctor and Hermantown are also sending letters. John W. explained the City of Duluth rate structure and that he feels we should be classified in the commercial/industrial rate. Greg stated a rate study was done by the City of Duluth six years ago and no other communities were involved. Cindy Endicott asked what the letter is requesting, John W. stated to look at the rates we are being charged. Greg made a motion to support sending the letter Mike Couri drafted. Bob second the motion. All vote in favor. Motion passed.

**Ditch 14:** Joan shared a copy of a letter drafted by Mike Couri, City Attorney, asking for an estimated cost before a petition is done. John W. explained ditch 14 is a drainage ditch for the southern portion of Rice Lake. The ditch floods 3rd Ave S. every spring. The ditch is a contract ditch and St. Louis County is the responsible authority of the ditch. Rice Lake is asking them to look at getting a cost to do an analysis to clean ditch 14. The ditch cannot be moved or dug deeper, it can only be cleaned. We are not looking to do the whole ditch, just between Howard Gnesen Road and East Calvary Road. John G. asked if the ditch has ever been cleaned. John W. stated the ditch was dug in 1923 and nothing has been done with the ditch since then, there are trees down and dirt/grass plugging it. Rice Lake is not looking to do this project for two to three years. Suzanne made a motion to accept the letter for getting a cost to do an analysis to clean ditch 14. Bob second the motion. All vote in favor. Motion passed.

**Motion for Adjournment:** Having nothing further to discuss, John G. made a motion to adjourn the meeting, Mayor Werner adjourned the meeting.

Respectfully submitted,

  
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John Werner, Mayor

1-22-18  
Date

  
\_\_\_\_\_  
Joan Jauss, Clerk

1-22-18  
Date

**Council Meeting  
January 8, 2018**

	Name:	Address:	phone and/or email address:
1	Nelie Scheffler	Howard Grease Rd	
2	Cindy Lendrecht	Kingston Rd.	
3	Bill Rosenbush	Zumb Ave &	
4	Brandon Zee	4702 Martin Rd	
5	<del>Alfred</del>		
6	Dan Leslie	4942 Annold	
7	Robert Grubler	Calway Rd	
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