

Pursuant to due call and notice thereof a regular meeting of the Council in and for the City of Albany, Stearns County, Minnesota, was called to order by Mayor Tom Kasner at 6:30 o'clock in the evening on Wednesday, September 1, 2021, in the Council Room at 400 Railroad Avenue for the said City.

Other Council members present were: Councilors John R. Harlander, Keith Heitzman, Al Amdahl, and Adam Rushmeyer. None were absent.

Other's present were: Tom Schneider, Clerk/Adm., Joe Mergen, Public Works Supervisor, Jeremy Mathiasen, the City Engineer with the firm of Stantec, Inc., St. Cloud, MN, Ozzie Carbajal, Police Chief, Kate Asfeld, Staff Reporter, The Star Post.

The Council recited the Pledge of Allegiance.

The Council took notice of approval of payment of bills. After due discussion, a motion was made by Keith Heitzman and seconded by Adam Rushmeyer to authorize electronic payments (payroll), transfers, and the payment of the following bills: Check Numbers 71235- to 71264. All voted for the motion and it carried.

Mayor Tom Kasner called for any corrections or additions to the minutes of the regular meeting of the Council held on August 18th and hearing none declared them approved.

Open forum/public comments: None

Jason Murray, the City Financial Consultant with the firm of David Drown Associates, appeared before the Council to discuss financing the proposed 2022 Midland Avenue reconstruction improvements (est. \$2.2 million), debt management and utility fund analysis. Mr. Murray noted the total outstanding debt if the 2022 improvements were to move forward is \$12,600,000+/- which is \$4,505 debt per population (2,800 pop.) and less than 10% debt to estimated market value, indicators how debt is managed for municipalities. Mr. Murray noted the debt is manageable. Mr. Harlander informed the Council improvement projects should not be delayed being costs continue to rise each year and recommended the council begin preparing engineering documents to seek favorable bids in January. Mr. Schneider noted at the next council meeting the council can consider the adoption of a resolution authorizing the city engineer to complete a preliminary engineering report; whereby once completed a public hearing will be scheduled to invite benefitted property owners to a meeting. Mayor Tom Kasner, with the consensus of the council, directed the city engineer to prepare the resolution to authorize a preliminary engineering report for the said improvements for consideration at the next council meeting.

Mr. Schneider presented to the Council the proposed 2022 Budget which included the following departments: Administration, Police, Fire, Street, Park, Library, Election, Water, and Sewer. Mr. Schneider presented a general levy increase of 2.34% and an 11% debt service levy increase. Mr. Schneider noted the City's 2022 tax capacity rate is estimated to be 43.581%, a decrease of 1.16%. Mr. Schneider noted the following highlights:

- Local Government Aid will remain the same as received in 2021.
- Slight increase to employee PEIP Health Insurance benefits.
- Increase of 3% for employee hourly rate.
- Administration/Police Assistant position wage split 75%/25%.
- \$30,000 for a pickleball court and \$15,000 trail improvements in North Park.
- \$10,000 new software (Civic Systems) accounting system. Payment 1 of 4.
- Debt Service levy increase (11%) to fund existing debt and proposed 2022 CIP Improvements.
- 4% increase water and sewer rates beginning Jan. 1, 2022.
- 2022 Election expenses added.
- Reinstatement of funds for future equipment replacement

Mr. Schneider also noted the preliminary 2021 property tax levy can be approved at the September 15<sup>th</sup> Council meeting which will be forwarded to Stearns County on or before September 30<sup>th</sup>. Mr. Schneider also noted the public hearing for the proposed 2022 Budget and levy will be considered at the December 1<sup>st</sup> council meeting.

Mr. Mathiasen appeared before the council to inform the council he, city staff, and community members met to discuss proposed improvements to North Lake including but not limited to dredging, trails, swimming beach, and other recreational benefits. Mr. Mathiasen noted the estimated costs for preliminary services for stormwater modeling, depth survey, wetland assessment, and sediment sampling/evaluation is \$60,200. Mr. Mathiasen noted North Lake is a shallow body of water and under the jurisdiction of the Minnesota Department of Natural Resources. Mr. Mathiasen noted the idea is the lake could be excavated and the excess material used to construct berms/embankments for new pedestrian trails in and around the lake. Mr. Harlander noted the lake is basically a stormwater holding pond and questioned what is the total immediate and future financial impacts for the city with a project of such magnitude. Mr. Schneider noted a public informational meeting might be the initial step prior to approving an engineer's proposal. Mr. Amdahl noted the Park Board had an initial discussion with a community member regarding improving the North Lake water quality and other recreational opportunities, but did not take any further action. Mayor Tom Kasner noted North Lake has the potential of becoming a greater asset to the city and having community members excited to participate in a project is encouraging, but completing street reconstruction improvements are a higher priority at the moment. No action was taken by the Council.

Mr. Mathiasen informed the Council he, city staff, and the Stearns County Highway Engineer, met on August 31<sup>st</sup> to discuss the proposed street improvements considered by the county in the year 2024 to County Highway #157 or Railroad Avenue west of 8<sup>th</sup> Street and Railroad Avenue intersection. Mr. Mathiasen noted the proposed improvements will be a full reconstruction, but questioned if the council would like to see new curb/gutter, storm sewer, or sidewalk installation. Mr. Mathiasen also noted the city may extend the project to begin in 2025 or allow a simple mill and overlay. Mr. Mathiasen informed the council the county would like to schedule a public input meeting in the spring of 2022. Mr. Harlander noted the council should consider new curb/gutter, sidewalk, and storm sewer improvements which would include special assessments to benefitted properties similar to other reconstruction projects the city has undertaken. Mayor Tom Kasner instructed the council and staff to visit the area proposed for the improvements and consider any formal action at the next council meeting.

Mr. Schneider informed the council in many cases his position requires the use of his personal vehicle to frequently attend meetings to conduct city business and it was brought to his attention his personal auto insurance policy excludes all coverage while the vehicle is being used for business purposes. Mr. Schneider noted the City's auto liability policy with the League of MN Cities is an excess policy or it would cover the employee's liability to third parties which exceeds the employee's own liability policy coverage. Mr. Schneider noted the city has no option to cover the employee's personal vehicle under the city's policy, but if it's understood the position requires the use of a personal vehicle to conduct city business, the council may establish a cap on a premium to be reimbursed to the employee per year or lesser actual cost. Mayor Tom Kasner noted the city attorney was consulted for further clarification related to vehicle insurance being insurance coverage is a very complex issue. After due discussion, a motion was made by Mayor Tom Kasner and seconded by Adam Rushmeyer to establish a cap on the increase in insurance premium to be reimbursed for the position of city administrator to recover damage to the personal vehicle when it is being used for city business at \$100 per year or the lesser actual cost. All voted for the motion and it carried.

Mayor Tom Kasner announced the next regular Council meeting for 6:30 o'clock in the evening on Wednesday, September 15, 2021, and adjourned the meeting at 7:55 PM.

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Tom Schneider  
Clerk/Adm.