

CITY COUNCIL MEETING

A work session was held beginning at 3:30 p.m. and the regular meeting of the Coleraine City Council was held at 4:01 p.m., Monday, December 9th, 2019, in the Council Chambers of Coleraine City Hall.

WORK SESSION

3:30 p.m.

At the work session, Police Chief Mjolsness addressed the Council regarding his frustration with issues he was having getting medical expenses reimbursed through his HSA/HRA when he was still on PEIP insurance. He knows the City had done everything correctly, but Further – the entity where HSA/HRA funds are managed through has not allowed him to withdraw funds. The insurance agent, Experienced Insurance Advisors, has not been helpful and he is still struggling to receive the proper reimbursements. The issue is accessing the HRA funds that are being held by the City. He has spent many hours making phone calls with no resolution. Mjolsness stated he knows he is not the only one who is having issues. Clerk Anderson was asked if the city could legally make the reimbursement from the account. This will be checked in to.

A representative from Benchmark Engineering also addressed the Council to say hello and pitch their services. Council questioned the firm on rates that they charge. The firm does help with finding funds for projects and usually charge a percentage for the design phase and then have an hourly rate for construction management. A folder was presented to each Councilperson. The Council thanked them for attending.

REGULAR MEETING

4:00 p.m.

The regular meeting was called to order by Mayor Mandich at 4:01 p.m. followed by the Pledge of Allegiance. A roll call was done by Clerk Anderson. Members present: Councilpersons Stish, Sutherland, Troumbly Pollard, and Mayor Mandich. Attorney Dimich was also present.

Moved by Councilperson Stish, supported by Troumbly, **to approve the consent agenda which included Council meeting minutes of 11.25.19, correspondence, and two sets of claims totaling \$105,799.72.** Roll Call: Ayes: Councilpersons Stish, Troumbly, Pollard, Sutherland, and Mayor Mandich. Nays: none. Motion carried

Moved by Councilperson Stish, seconded by Pollard, **to approve the meeting agenda.** Ayes: all. Nays: None. Motion carried.

PUBLIC COMMENTS:

Sarah Carling with CEDA addressed the Council and explained a list of ten priorities on a spreadsheet that she had developed from her first impression report and the meeting held with Council and

residents earlier in the year. Her request was that each Councilperson review the list and indicate their own priorities in rank order. She explained that the list was not inclusive and that they could add or deduct any they felt were appropriate. Once turned in to her, she would review the data and come up with something to present to Council during a work session after the first of the year when developing a potential Capital Improvement Plan.

DEPARTMENT HEADS

Public Works (Street):

No report as Public Works Supervisor Bertram was not present. It was indicated by Councilperson Stish that Bertram said he would provide a written report at the next meeting.

Police:

Police Chief Mjolsness went over highlights of a written report he had provided. Most notable was working with the County MIS department to gain access and get things properly installed for the squad video equipment.

COMMITTEES AND COMMISSIONS/OTHER:

Cotton Beach

Closed for season.

ATTORNEY:

Attorney Dimich had nothing to report. Clerk Anderson inquired about the next steps in recording the Mesabi Avenue vacation and a question on the addition of property for one of the property owners. Attorney Dimich stated the vacation should proceed as approved and the process must be followed again for the requested change. An inquiry was also made on the separation of property as it relates to the old fire hall. It was reported that the County had requested that the separation include legal descriptions of where the two smaller parcels should be added or separate legal descriptions for them. Currently this is in the hands of Bob Beaver, City Engineer.

NEW BUSINESS:

Resolution of final approval—CBT Forcemain Project – Clerk Anderson had prepared a formal resolution indicating approval of the finished project. All the appropriate paperwork has been received and tentatively approved by USDA-RD. **Motion** by Councilperson Pollard, supported by Troumbly, **to approve the Resolution of final approval for the CBT Forcemain Project as written.** Roll Call: Ayes: Councilpersons Pollard, Troumbly, Stish, Sutherland, and Mayor Mandich. Nays: none. Motion carried.

Sealed bid for versalift hoist and bucket – The one sealed bid received was presented to Council and opened. **Motion** by Councilperson Pollard with the support of Troumbly **to accept the \$500 bid from Jim Ohman.** Ayes: all, Nays: none. Motion carried.

TLFD Relief Association Policy – Jordan Schafer had presented Council with a revised investment policy for the relief Association as requested by the Office of the State Auditor. The policy was a mixture of old policy with new regulations. Guy Clairmont is the investment advisor. **Motion** by Councilperson Troumbly, with the support of Sutherland, **to accept and approve the Trout Lake Fire Department Relief Association Investment Policy as presented.** Roll Call: Ayes: Councilperson Troumbly, Sutherland, Stish, Pollard, and Mayor Mandich. Nays: none. Motion carried.

December Department Head meeting – Councilperson Stish reported that he would not be available for the scheduled Department Head meeting on Tuesday, December 17th and is requesting that another Councilperson attend with Mayor Mandich. Councilperson Sutherland indicated that he may be available. No motion required.

Holiday Gathering for Council & staff – It was recommended that the Holiday Gathering be set for Monday, December 23rd at 4:00 pm at the Emergency Services Building. This date was accepted. No motion required.

Schedule work session with Eagle Ridge Management Group – Councilperson Pollard and Mayor Mandich briefly reported on their meeting with Mike Barle and Gordy Skaar. A special meeting needs to be set up between City Council and the Management Group. Upon the advice of Attorney Dimich, this will be posted as a special meeting. **The meeting will be held Monday, December 23rd at 2:00 p.m. in Coleraine City Hall Council Chambers.** No motion required.

UNFINISHED BUSINESS:

CBT Forcemain Project-Contractor’s app for payment #7 (final) and #11 request for draw of funds from MRWA – Motion by Councilperson Pollard, supported by Sutherland, **to approve the application for payment of \$139,338.75 and draw of funds from interim loan.** Roll Call: Ayes: Councilpersons Pollard, Sutherland, Stish, Troumbly, and Mayor Mandich. Nays: none. Motion carried.

Mt. Itasca Regional Designation – Clerk Anderson reported that correspondence had been received that the application will need to be resubmitted after an ownership patten and joint management arrangements are clarified. Full communication was provided in Council packets.

COUNCIL CONCERNS:

Stish: None
Troumbly: None
Pollard: None
Sutherland: None
Mandich: None

Motion by Councilperson Pollard with the support of Sutherland **to adjourn the meeting at 4:45 p.m. until 6:00p.m.** Ayes: all. Nays: none. Motion carried.

At 6:00 p.m. Mayor Mandich opened the Truth in Taxation meeting.

Councilperson Sutherland led the discussion. He began by talking about the proposed tax levy, but that he was sitting at a much lower amount. Various council members indicated where they were at for percentages. Discussion ensued as to why those who wanted an increase felt it was necessary. Most of the justification surrounded the purchase of the fire truck by the Trout Lake Fire Department of which the City of Coleraine is currently responsible for 65% of.

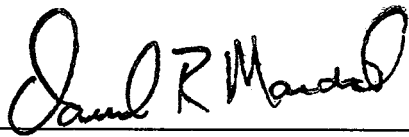
Various individuals in the gallery wished to ask questions and indicated their concern for the rates going up so much in the rural area. Councilperson Sutherland explained about the organized

annexation and the deal to wait five years before anything would be done with the rural taxes and benefit ratio. He went on to explain that now it has been 10 years; prior to now nothing had been reviewed. He explained that raising the rural benefit ratio to 35% was the first step to bringing tax rates for the rural area more in line with the urban area. It was also explained that the taxes would not go up as much as what was stated if the levy is set at less than the 9% originally proposed.

Residents were still concerned and wanted to know what justified the increase. It was again explained that the intent of the rural benefit ratio was to bring the taxes more in line with services of the city as a whole and that it was about a redistribution of the taxes; it was being done for tax equity.

After much discussion, Councilperson Pollard made a **motion to set the levy at a 3% increase (\$23,069) bringing the total tax levy to \$792,038 for 2020.** The motion was seconded by Councilperson Troumbly. Roll Call: Ayes: Councilpersons Pollard, Troumbly, Sutherland, Stish, and Mayor Mandich. Nays: none. Motion carried.

A **motion to adjourn the Truth in Taxation meeting** was made by Councilperson Sutherland at **7:37pm.** Motion seconded by Councilperson Pollard. Ayes: all. Nays: none. Motion carried.



Dan Mandich, Mayor



Briana Anderson, Clerk-Treasurer