

Pursuant to due call and notice thereof Mayor Alan Skramstad and PUC Chair Greg Ardner called to order the Special Joint meeting of the Mora City Council and Public Utilities Commission at 4:30 PM on Tuesday, July 19, 2022 in the city hall council room.

2. **Roll Call:** City Council Present: Mayor Alan Skramstad, Councilmembers Jody Anderson, Jake Mathison, and Kyle Shepard
Absent: Councilmember Sadie Broekemeier
Public Utilities Commission Present: Chair Greg Ardner, Brett Baldwin and Ryan Christianson
Commissioner / Mayor Alan Skramstad
Absent: Commissioner Dave Chmiel
Staff Present: City Administrator / General Manager Glenn Anderson, Administrative Services Director Natasha Segelstrom, Public Works Director Joe Kohlgraf and Accountant Sara King
3. **Adopt Agenda:** Council MOTION made by Mathison, seconded by Anderson, and unanimously carried to approve the agenda.
PUC MOTION made by Baldwin, seconded by Christianson, and unanimously carried to approve the agenda.
4. **Business Items:**
 - a. **2023 Budget Priorities:** Glenn Anderson presented the 2023 Budget Priorities which included the Snake River Bridge Trail Connection, City Hall Roof Replacement, Driver's License Office, and upcoming street capital improvement plan. Skramstad stated the ARPA Funds have been dedicated to the Snake River Bridge Trail Connection and would be completed in 2023. The Council and PUC discussed the City Hall roof. Glenn Anderson stated there were several areas of concern on the roof and after inspection from Building Official Caleb Christenson, and recommended the roof be replaced. The consensus amongst the Council and PUC was that the roof replacement was a top priority. Mayor Skramstad stated the Driver's License Office would be discussed later in the meeting and discussed the upcoming Capital Street Infrastructure update. Kohlgraf explained that the capital street improvement plan was still in progress and the information on the CIP was used as a placeholder until the plan was complete. The Council and PUC reviewed the CIP items by priority level for 2023. It was recognized the PUC had several large capital improvements projects throughout the year.

Councilmember Anderson asked the status of the carpet and new paint at City hall and stated the carpet only needed to be cleaned rather than replaced. Segelstrom stated at this time, the CIP items for City Hall had not been completed and the carpet would be cleaned by the years end as it was a budgeted item. Glenn Anderson reassured the Council and PUC that the carpet did not pose any hazard or wear that would warrant replacement.

Ardner proposed the consideration of a wage increase for the Public Utilities Commission. He stated the salary for commissioners had not been reviewed for several years and requested an increase to be considered to an amount the Council felt necessary. Further discussion took place on the current wages for the PUC and the impact on the budget. It was clarified that the increase would not impact the taxpayers

as the salary comes from the Utilities. Mathison and Shepard both recognized that the wages were low and suggested that the PUC Chair receive \$4,000 and the Commissioners receive \$3,500. The consensus was to have staff budget an increase for the PUC commissioners.

Shepard brought forward the dedicated turn lane on Highway 65 Northbound onto 9th Street and the Local Partnership Program with MN DoT. This was identified as an area that needed to be prioritized in the budget. With the Local Partnership Program, MN DoT would reimburse the city for part of the construction costs in Minnesota State FY 2026, which begins July 2025. The 9th Street project was identified as #2 priority for the budget.

Further discussion on park improvements ensued and CIP items at the Library Park. King provided details on the improvements which included equipment and Kohlgraf explained that one of the CIP items would be planned in conjunction to Kanabec County street improvement with Maple Avenue. Chad Gramentz of Kanabec County who was in attendance of the Joint Meeting, provided a timeline for upcoming Kanabec County projects and explained that the Maple Avenue project had moved to 2024 – 2025 due to potential funding for the outlet pipe to the City from the legislature. The council discussed the Fox Run Park project and its urgency due to the grant requirements from the City.

- b. Plant Line Supervisor / Finalization Class and Compensation Study:** Segelstrom summarized the finalization of the class and compensation study and job descriptions that had been tabled in the June City Council Meeting. She explained an updated job description for the Public Works Director and for the Human Resource Coordinator / Administrative Assistant were included and based on findings, the Public Works Director position was reclassified to a grade 14 with 261.5 points and the Human Resource Coordinator / Administrative Assistant was grade 10 with 165 points.

Council member Anderson expressed concern on the data used for the compensation study stating the City was not metropolitan and that City staff were paid well. Shepard acknowledged City staff and their dedication and that they need to be compensated appropriately for that and all their work. PUC Chair Ardner requested the breakdown of wages for each job description as both positions are paid from the Utilities. The Public Works director was paid 33% streets, 33% electric, 17% water administration, 17% wastewater. Human Resources Coordinator was 50% administration, 25% electric, 12.5% water administration, 12.5% wastewater. Ardner explained the pay/grade increase would cost approximately \$3,000 to the City's budget for the Public Works Director and that the amount would be less for the Human Resources Coordinator. MOTION made by Christianson, seconded by Baldwin and carried by PUC to approve the updated job description for the Public Works Director and the Human Resources Coordinator / Administrative Assistant for 2023 budget year. Skramstad abstained from PUC vote. MOTION made by Shepard, seconded by Mathison and unanimously carried to approve the updated job description for the Public Works Director and the Human Resources Coordinator / Administrative Assistant for 2023 budget year.

Skramstad stated the PUC had approved to continue recruitment for the Plant Line

Supervisor. Ardner stated that the salary for the position could not compete with a journeyman lineman but market the community more and appealing to the applicant. MOTION made by Mathison, seconded by Shepard, and unanimously approved to continue with the recruitment for the Plant Line Supervisor.

- c. **Driver's License Office Update:** Glenn Anderson provided the Council and PUC an update on the Driver's License Office and recent meetings with Chad Gramentz of Kanabec County and the Kanabec County Board of Commissioners meeting. The County Commissioners stated their desire to have a sub-committee and discuss further the joint approach. With this, the proposed location would be the MMU building that had once been the police station. Glenn Anderson further explained that two new staff would conduct operations at the office and would become City Employees. The city would be reimbursed for one of the staff members from the county. Mathison asked the status of Pine Tech because of the current lease in place and Glenn Anderson stated he had spoken with them and they did not appear to have any issues with the driver's license operation. Anderson further explained the renovation expenses, he stated the estimate provided could be reduced in cost by eliminating unnecessary costs, such as window replacement as they were not needed at this time. The building would need renovations to assist with the operation and renovation expenses would be repaid to MMU in monthly installments and upon repayment monthly rent would be paid to MMU. Ardner suggested that a second contractor come in and provide a quote as the building had recently been renovated.

The Driver's License Office would have four different windows to conduct business and operations if the driver vehicle services / registration became available due to the County having the first right of refusal for the vehicle registration, which is more profitable than the driver's license office. Council discussed further the costs associated with the office and whether there would be profitable and the operation if the office added additional vehicle services. The hours of operation were discussed along with potential profit. Gramentz further explained there were limitations to the hours of operation due to the union agreements at the County's office and an opportunity change this and provide the service to the community. Anderson continued to explain that with the two City staff, they would work 40 hours per week and 8:00am - 4:30pm and opportunity to have service on a Saturday morning. He stated the office would be supervised by Jeff Krie, who had volunteered to have an office on site and oversee the operation. Shepard stated the concept was a great idea but if the registration were guaranteed to assist any revenue for the operation. Mathison further detailed that Krie should not have added duties without pay, be compensated for the hours worked on that operation and revised job description with a nominal increase in salary. King spoke to the council and stated that based on previous conversation, Krie may need to have an additional position created at the MAC to balance his time during the summer or six months of the year if additional duties were added.

Skramstad asked the Council if there were any councilmembers willing to sit on the committee and stated he was the PUC representative for the committee. Councilmember Anderson stated she was available, and Shepard stated he would be on the committee as Anderson had been on several boards already.

- d. **Property & Liability Insurance Deductible and Premiums:** The Council and PUC reviewed the Property & Liability Insurance Deductible Premiums. King provided details on potential savings. The information had been retrieved from the League of Minnesota Cities Insurance Trust database from Mandi Yoder, who was not able to attend the meeting that night over the past ten years from 2012-2022 had the city elected a \$2,500 deductible instead of \$500. King explained the City currently has a \$500 deductible after a recent review, the City may have saved \$88,500 had the City elected the \$2,500 deductible. According to LMCIT, a \$500 deductible was rare, and this was the city's current election. The other options available were at a higher deductible rate of \$5000 and \$10,000 and that staff did not recommend either of those deductibles levels. King identified the differences in premiums and noting that there was no guaranteed savings with insurance. Mathison stated a significant gap between the other tiers and the \$500 level and suggested it may be best to have a \$2,500 deductible.

Baldwin stated a total number of annual claims would need to be available and analyzed prior to deciding. Based on the information provided, there were approximately four claims per year and \$8,000 each year. King stated staff could retrieve the numbers following the meeting and suggested the information be tabled if the Council and PUC would like the additional information. The consensus was to table the Property & Liability Insurance Deductible and Premiums and report back with the annual total for the previous years as suggested by Baldwin.

- e. **Consideration of Mileage Reimbursement Rate increase:** The mileage reimbursement rate outlined in the Personnel Policy, Appendix A, is currently .40 per mile. The IRS mileage reimbursement rate recently increased on July 1, 2022, from .585 cents per mile to .625 cents per mil. Due to the increase in fuel costs, consideration of mileage reimbursement rate increase was presented. The Council and PUC discussed the IRS rate and the frequency of change and if the rate ever decreased. Segelstrom confirmed that the rates periodically fluctuate with the IRS set rate.

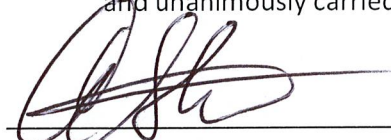
To simplify the rate, Shepard suggested that the City mirror the IRS mileage reimbursement rate moving forward. Skramstad stated that the State of Minnesota followed the IRS guidelines. MOTION made by Christianson, seconded by Baldwin and unanimously approved to increase the mileage reimbursement in the Personnel Policy, Appendix A MOTION made by Shepard, seconded by Mathison and unanimously approved to increase the mileage reimbursement in the Personnel Policy, Appendix A to match the IRS mileage reimbursement rate.

5. Reports:

- a. **City Administrator / Utilities General Manager-** Anderson provided an update on the newly hired Community Development Director and efforts to assist the need for childcare in the community along with the need for housing.
- b. **Public Works Director-** Street projects going along. Newly hired Water/Wastewater Operator future projects are moving along.
- c. **Commissioner Baldwin-** Nothing new to report.
- d. **Commissioner Christianson-** Nothing new to report.
- e. **Commissioner Chmiel-** Absent
- f. **Commissioner/Mayor: Skramstad-** Nothing new to report.

- g. **Chair Ardner**- Nothing new to report.
- h. **Councilmember Anderson**- Nothing new to report.
- i. **Councilmember Broekemeier**- Absent
- j. **Councilmember Mathison**- Nothing new to report.
- k. **Councilmember Shepard**- Nothing new to report.
- l. **Mayor Skramstad**- Thank staff for working on the budget and setting the deadlines and having the Council and PUC look carefully when budgeting for 2023 and to let Glenn know.

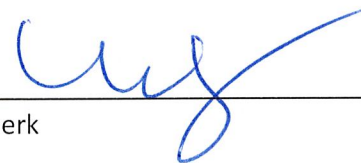
6. **Adjournment** PUC MOTION made by Baldwin, seconded by Christianson, and unanimously carried to adjourn the meeting at 6:01PM. Council MOTION by Shepard, seconded by Anderson, and unanimously carried to adjourn the meeting at 6:01PM,



Mayor



PUC Chair



City Clerk