

**MINUTES OF THE
REGULAR FRANKLIN CITY COUNCIL MEETING
Monday, August 8, 2016**

A Regular Meeting of the Franklin City Council was held on Monday, August 8, 2016 at 7:00 p.m. at City Hall. Council members present were: Degner, Heibel, R. Kokesch, Scharfencamp and Wiese. Staff Department Heads present were: K. Kokesch and Pederson. Guests present were: Chris Wood, Myron Gehrke, Reginald Wood, Deputy Tom Swyter, and James Stubbs.

At 7:00 p.m., Mayor Degner called the meeting to order. The Pledge of Allegiance was recited. Roll call showed all council present.

Mayor Degner called for approval of the agenda. **Wiese motioned to approve the agenda, second by R. Kokesch, RCV-5 Yes, 0 No.**

Mayor Degner called for approval of the minutes of July 11, 2016. Scharfencamp motioned to approve the minutes as presented, second by Wiese, RCV-5 Yes, 0 No.

There were no citizens requesting to be addressed.

Surplus Property bids were opened. Four bids were received for the 2006 Crown Victoria squad car, one being disqualified as it was written for a 2008 Dodge Charger; the high bid of \$1,100 was from John Matlock of Franklin. Three bids were received for the Ford 8N tractor; the high bid of \$500 was from Gary and Deb Kerkhoff of Franklin. The council discussed the removal of the wiring and equipment from the squad car. It was decided to have the same person that does the county squads take care of this. **Wiese motioned to sell the 2006 squad car to John Matlock for \$1,100 with the stipulation that the title will not be transferred until the equipment is removed; second by Heibel, RCV-5 Yes, 0 No. Scharfencamp motioned to sell the Ford tractor to Gary and Deb Kerkhoff for \$500, second by R. Kokesch, RCV-5 Yes, 0 No.**

The financial status of the city was reviewed. July receipts totaled \$112,984.54; current bills were presented for payment in the amount of \$41,777.56. **Wiese motioned for approval of the bills and financial report with the addition of the Ryan Radermacher invoice, second by Scharfencamp, RCV-5 Yes, 0 No.**

Department Heads were addressed. Deputy Swyter reported that Catfish Days went well; discussed implementing administrative fines and suggested we discuss this with the city attorney and perhaps set a contracted rate for prosecuting unpaid violations; response times were questioned, there weren't any noticeable problems, their staffing is full, they are still working on setting up community policing and more consistency. Kokesch questioned what heating options the city council would prefer, wood pellets are the same price as last year and Lp is one cent higher this year at \$1.05 prepaid, the city has a credit remaining from last year; the council recommended contracting Lp and also to repair the pellet building corner and consider installing cement guards on the corners. An complete estimate of \$642.54 was received to install a light on the flag pole at the ballpark; it was questioned who will maintain the flags and how long it would be flown, should it remain in the outfield or should it be moved to a more accessible location. **R. Kokesch motioned to install the light to illuminate the flag in the outfield and it would be flown during the park season while the water is turned on; second by Heibel, RCV-5 Yes, 0 No.** Seal coating will take place tomorrow, unfortunately it is being done by the Fire Hall on an election day. Kokesch is tiling his property with the assistance of Hawk Creek Watershed District and the city's culvert on 3rd St. S. may be repaired at the same time at no cost to the city; repairs to the ditch on the west side of the road are needed, Kokesch will talk to the county to see if they can dig the ditch down with the grader; it is about a 2 day project and the road will not be closed. Pederson will attend the SWWC Insurance Pool meeting on Aug. 11th; everything is ready for Election Day, city council filing is open until Aug. 16th; there is a solar workshop the evening of Aug. 23rd; LMC Regional Meetings are in October; Craig Wepplo requested a one month extension to clean up their property (he is out of state); the council granted an extension until Sept. 20th. **R. Kokesch motioned to approve Jeremy Schultz's resignation from the Fire Department, second by Heibel, RCV-5 Yes, 0 No.**

There are four utility accounts that are unpaid; the council authorized disconnection.

There were no new zoning permits issued. The city attorney recommended the council consider opting out of MN Statute, Sect. 462.3593. **R. Kokesch motioned to approve amending Article III of the city's zoning ordinance to opt-out of MN Statute 462.3593, second by Wiese, RCV-5 Yes, 0 No.**

The tennis courts were discussed. R. Kokesch motioned to have Kerkhoff's take them down, level them, and put in grass noting they are a liability issue; the motion failed due to lack of a second. Scharfencamp felt the community center project was enough spending for now; Heibel felt something like basketball should be installed in their place. Options were discussed and it was decided that K. Kokesch should try to obtain the boring records and if they are found, an estimate for removal should be sought.

Pederson provided sample administrative fines from Bird Island and Morton. Pederson was directed adapt the sample to fit Franklin's ordinances and it will be reviewed next month.

The solar energy contract with Minnesota Community Solar was discussed. This proposal was reviewed by the city attorney and CERTS and it was noted that it is has more risk than the Geronimo contract but the potential pay-out is greater. The council was very disappointed that there will not be a garden in Franklin and did not feel the benefit of either contract is worth a 25 year commitment.

Rich Beltz presented a signed lease agreement for the city's 57.98 tillable acres in the amount of \$14,495.00, \$250 per acre. Beltz noted that this is higher than the going rate and the council agreed that with the current crop prices, this was a good rate. With the taxes payable, the city would net about \$12,000 per year on the lease. The lease is for one year with the option to automatically renew on 8/1/17 provided no written notice to terminate from either party is received. **Wiese motioned to sign the lease with Tim Sullivan of Birch Cooley Farms, Inc., second by Scharfencamp, RCV-5 Yes, 0 No.**

The 2017 preliminary budget items were discussed. The city's debt with USDA has all been combined and as recommended by the MN Rural Water, utility rates need to be increased for the enterprise funds to cash flow. The council felt the needed increase should be done over a few years rather than all at once. Raising the water base rate to \$20 per month and usage rate to \$5.25/thousand will increase revenues by about \$16,500, still short about \$10,000 per year. Raising the sewer base rate to \$25.25 and the usage rate to \$5.25/thousand will increase revenues by about \$12,000, still short about \$22,000 per year; this would increase the average household utility bill around \$10 per month. **Wiese motioned to increase the water and sewer rates as discussed, second by Heibel, RCV-5 Yes, 0 No.** The city fee schedule was reviewed: ambulance rates will be sent for review and recommendation to Expert T Billing; On Sale Liquor License fees to \$1800; Daily On Sale Malt Liquor fee to \$10.00 per day per site; garbage monthly rate to \$8.00 and landfill monthly rate to \$5.50 up slightly to cover the added costs of the city clean up; the larger commercial landfill rates will all increase \$5 per month; commercial water users with larger meters will be reviewed and charged a fee based on the size of the meter; service calls will remain at \$20 during business hours and will increase to \$50 for after hours and weekends. Full time salaries were discussed and it was again noted that steps and lanes need to be put in place for future hiring. Wiese recommended a 2% across the board salary increase; R. Kokesch felt this was not enough noting the employees do more than expected, Heibel added the most cities have more employees. **R. Kokesch motioned to give both a 5% increase, second by Scharfencamp, RCV-5 Yes, 0 No.** Council salaries to: \$125/meeting for mayor; \$100 per meeting for councilors, \$100 per special meeting; per diem of \$10 per hour for council approved meetings. Discussed capital improvements including: water tower repairs, impellers, well retrofitting, fire hall roof, and tables and chairs for the community center, R. Kokesch and Heibel will work on community center policies and furniture.

Councilor requests included: Scharfencamp would like speed limit signs installed on 3rd St. S; Kokesch will check on prices. Mayor Degner received a clean-up notice for his business property and stated he has removed junk and wood, painted his building, and must be allowed to have block stored on his property as it is necessary for his business. The council reviewed his letter and noted that the intent is for everyone to clean up and organize their properties, and not put anyone out of business.

At 10:45 p.m., Mayor Degner called for adjournment, with Wiese motioning for adjournment, second by Heibel, RCV-5 Yes, 0 No. The next regular meeting will be September 12, 2016, at City Hall.

Respectfully Submitted by Wendy Pederson, City Clerk/Treasurer