



**ARLINGTON CITY COUNCIL
MEETING AGENDA
July 5, 2022 at 6:30 P.M.
COUNCIL CHAMBERS**

The City Council is provided background information for agenda items in advance by city staff, committees, and boards. Many decisions regarding agenda items are based upon this information, as well as: City policy and practices, input from constituents, questions or information that has not yet been presented or discussed regarding an agenda item. If you have a concern or question, please ask to be recognized by the Mayor during the "Citizens addressing the Council" portion of the agenda- state your name and address for the record. Please keep comments under 5 minutes. Individuals wishing to speak for more than five minutes should ask to be included on the agenda in advance. All comments are appreciated, but please refrain from personal or derogatory attacks on individual.

1. Call Meeting to Order and Flag Pledge
2. Roll Call
3. Approve the Agenda
4. Addressing the Council

CONSENT AGENDA

5. Approval of Consent Agenda
 - A) Approval of Bills
 - B) June 16, 2022 Personnel Meeting Minutes
 - C) June 20, 2022 City Council Workshop Minutes
 - D) June 20, 2022 City Council Minutes
 - E) Approve 1-4 day temporary liquor license for the Sibley County Agriculture Association Aug 3-5, 2022
 - F) Approve 1-4 day temporary liquor license for the Sibley County Agriculture Association Aug 6-7, 2022
 - G) Approve Electric Rate Schedule-Transmission Transformed Service

- H) Approve hiring of Benjamin Klaers as a Firefighter with the Arlington Fire Department

PETITIONS, REQUESTS & COMMUNICATIONS

6. League of Minnesota Cities dues schedule increase
7. MMPA Public Summary June 2022
8. MMPA Energy Adjustment Clause July 2022

REPORTS OF OFFICERS, BOARDS AND COMMITTEES

9. June Public Works Department-Public Works Supervisor Kirby Weckworth
10. Ambulance Department Report- Ambulance Manager Jamie Weikle

ORDINANCES AND RESOLUTIONS

11. Resolution 43-2022 A RESOLUTION APPROVING THE APPLICATION FOR A LAWUL GAMBLING PERMIT FOR SIBLEY EAST WOLVERINE BOOSTERS INC.

UNFINISHED BUSINESS

NEW BUSINESS

12. Approve/Deny Arlington Minnesota Police Department professional service contract with Morris Electronics, Inc.

13. Approve/Deny Personnel Committee's recommendation to update sections 13.4 and 13.5 of the Personnel Policy relating to payout of catastrophic sick bank

14. Approve/Deny service level agreement between Sibley County and the City of Arlington for the Arlington Public Library

MISCELLANEOUS BUSINESS

ADJOURNMENT

Reminders:

July 7, P&Z Meeting at 7pm

July 11- EDA Meeting at 5:30pm

July 18-City Council Workshop at 5:30pm

July 18-City Council Meeting at 6:30pm

July 25-Cemetery Committee Meeting at 6pm



**PERSONNEL/EMPLOYEE RELATIONS COMMITTEE
MEETING MINUTES**

JUNE 16, 2022 @ 5:30 P.M.

Arlington Community Center—Council Chambers
Arlington, MN 55307

1. Call to Order
Present: City Administrator Amy Newsom, Mayor Rich Nagel, Matt Scharpe, Joe Morgan (via phone)
Staff Present: Planning and Zoning Administrator Phil Mangis, Administrative Assistant Gwen Scharpe
Guests: Kurt Menk *Arlington Enterprise*, Brandon Brinkman, Brandon Bracht, Michelle Battcher
2. Approval of Agenda-Scharpe made a motion to approve the agenda. Morgan seconded. Motion carried.
3. Discussion on conflicting information in personnel policy between 13.4 and 13.5-Need to change language so that both sections match each other. Decided to change both to 90%.
4. Discussion on disciplinary action against P. Mangis (open per Mangis' request)-home occupancy, Mayor summarized two complaints against Mangis. Battcher stated that she did not receive all of the information and that communication needs to be complete. Nagel asked Mangis what he would do different going forward. Mangis stated that he would use proper procedure. Morgan said that he was disappointed in the lack of ownership. Brinkman stated that he doesn't want to see the city run another Planning and Zoning person out of here. Consensus is to have the write up stay in place.
5. Any other business relating to employee relations

6. Adjourn-Motion by Scharpe to adjourn the meeting at 6:18pm. Seconded by Morgan. Motion carried.

City Administrator Amy Newsom



**ARLINGTON CITY COUNCIL
WORKSHOP MINUTES
Monday, June 20, 2022 AT 5:30 PM
Council Chambers**

1. Call Meeting to order-meeting was called to order by
Members Present- John Thomes, Joe Morgan, Dave Meyer, Michelle Battcher, Mayor Rich Nagel
Members Absent-Matt Scharpe
Staff Present-Library Director Andrew Kelton, Ambulance Director Jamie Weikle, Fire Chief Doug Mackenthun, Interim Police Chief Denley Kompelien, Public Works Kirby Weckworth, P & Z Administrator Phil Mangis, City Administrator Amy Newsom
Guest Present-Nishel Patel AMBA Homes
2. AMBA Homes- Patel would like to keep a dog parks a private dog park and would take care of the park and city street. Morgan to meet with the parks committee.
3. Review of CIP requests- Weikle would like a new ambulance next year. Mackenthun would like to keep CIP same as it has been. Kelton would like more money to expand the library. Morgan stated that there are other places to use such as the Community Center. Morgan recommends the library committee evaluate. Kompelien would like to get new squad cars ordered as soon as possible. He is to get a quote. Weckworth stated that everything saves time and money. Morgan wanted to know how Weckworth can prove that time and money can be saved.
4. Adjourn-Thomes made a motion to adjourn the meeting at 6:27pm. Meyer seconded. Motion carried.

City Administrator Amy Newsom

Mayor Rich Nagel



**ARLINGTON CITY COUNCIL
MEETING MINUTES
Monday, June 20, 2022, AT 6:30 PM
Council Chambers**

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1. Call meeting to order- Meeting was called to order at 6:30pm by Mayor Nagel. All stood for Pledge of Allegiance.

2. Roll Call-

Members Present- Mayor Rich Nagel, John Thomes, Joe Morgan, Michelle Battcher, Dave Meyer

Members Absent- Matt Scharpe

Staff Present-City Administrator Amy Newsom, Ambulance Director Jamie Weikle, Fire Chief Doug Mackenthun, Library Director Andrew Kelton, People Services Corbin Kiecker

Guests-Roberta Zaske, Nishel Patel AMBA Homes

3. Approve the Agenda-Newson requested to add the following under 16.5. **Resolution 42-2022. A RESOLUTION CALLING A PUBLIC HEARING ON THE ESTABLISHMENT OF TIF DISTRICT**
Morgan made a motion to approve the agenda as amended. Battcher seconded. Motion carried.

4. Addressing the Council

CONSENT AGENDA

5. Motion was made by Battcher to approve the following consent agenda items:
 - A) Approval of Consent Agenda- Approval of Bills
 - B) June 6, 2022 City Council Minutes
 - C) Kelso Agreement
 - D) Approve the hiring of Breanna Bardwell as .6 FTE with Arlington Area Ambulance
- Seconded by Thomes. Motion carried.

PETITIONS, REQUESTS AND COMMUNICATIONS

6. Announcements
7. Communications
 - May 5, 2022 Planning and Zoning Meeting Minutes
 - May 9, 2022 EDA Meeting Minutes

REPORTS OF OFFICERS, BOARDS AND COMMITTEES

8. Fire Department Report – Chief Doug Mackenthun-been meeting with townships and everything is going good, CenterPoint Energy grant, concerns from Council on
 - Approve/Deny AFD Standard Operating Guidelines- Battcher made a motion to table approving or denying AFD Standard Operating Guidelines until after July 18th Fire Committee meeting. Morgan seconded. Motion carried.
9. Police Department Report – Interim Chief Denley Kompelien-Presented ICR number information, gave an update on chief, already sent for physical
10. Planning and Zoning Report – Zoning Administrator Phil Mangis-Has two public hearings coming up with regards to AMBA Homes on 7/7/2022 for plat and rezoning, and changes to fence ordinance. Also talked about issues with home occupancy for animal shelter, P & Z to review administrative permit.
11. People Service Report-May O&M Report – Operator Lee Forcier-Corbin Keicker gave O & M report, corrective actions to prevent in the future.
12. Review Revenue & Expenditure Summaries-Newsom Presented
13. Building Permit Reports Jan-May 2022-Newsom Presented

ORDINANCES AND RESOLUTIONS

14. Resolution 39-2022 A RESOLUTION ACCEPTING A DONATION AND DESIGNATING ITS USE
Motion by Morgan to approve Resolution 39-2022, seconded by Thomes. Motion carried. Morgan, Thomes, Battcher and Meyer voted in favor. None against. None abstained. Scharpe was absent.
15. Resolution 40-2022 A RESOLUTION APPOINTING ELECTION JUDGES FOR THE 2022 ELECTIONS
Motion by Thomes to approve Resolution 40-2022, seconded by Meyer. Motion carried. Morgan, Thomes, Battcher and Meyer voted in favor. None against. None abstained. Scharpe was absent.
16. Resolution 41-2022 A RESOLUTION APPROVING THE APPLIATION FOR A LAWFUL GAMBLING PERMIT FOR ARLINGTON FIRE RELIEF ASSOCIATION
Motion by Battcher to approve Resolution 41-2022, seconded by Morgan. Motion carried. Morgan, Thomes, Battcher and Meyer voted in favor. None against. None abstained. Scharpe was absent.

16.5 Resolution 42-2022 A RESOLUTION CALLING A PUBLIC HEARING ON THE ESTABLISHMENT OF TIF DISTRICT

Motion by Morgan to approve Resolution 42-2022, seconded by Battcher. Motion carried. Morgan, Thomes, Battcher and Meyer voted in favor. None against. None abstained. Scharpe was absent.

UNFINISHED BUSINESS

17.

NEW BUSINESS

18.

MISCELLANEOUS BUSINESS

Committee Updates-

Open Discussion-Nagel requested an update on the 400 block of West Main Street. Arneson said that the new owner had applied for a building permit, but the building official opposed the building permit. Mangis is to follow up with Darin Haslip. Council wants action this Summer.

Battcher asked about the MMPA load shedding. How do we determine who is on the list?

ADJOURNMENT

Motion to adjourn the meeting at 7:11pm was made by Meyer. Morgan seconded.
Motion carried.

Reminders

June 27- Parks Committee-Parks tours at 5:15pm

July 5-Council Budget Workshop at 5:30pm

July 5- City Council Meeting at 6:30pm

July 7- Planning and Zoning meeting at 7pm

July 11-EDA meeting at 5:30pm

July 18-Council Budget Workshop at 5:30pm

July 18- City Council Meeting at 6:30pm

July 25-Cemetery Committee meeting at 6pm

City Administrator Amy Newsom

Mayor Rich Nagel

CITY OF ARLINGTON

ELECTRIC RATE SCHEDULE – TRANSMISSION TRANSFORMED SERVICE

Conditions of Service

- Customer must take retail three-phase electric service at a transmission transformed voltage via a direct connection to one of City's distribution substations.
- Customer must have a minimum annual peak demand of 5,000 kilowatts (kW).
- Customer's annual load factor must be no less than 75%.
- Customers that fail to meet the above criteria shall be moved to another electric rate schedule.
- New customers not yet taking service must demonstrate that they are likely to meet the above criteria prior to taking service under this rate schedule.
- Any Customer taking service under this electric rate schedule must acknowledge that this rate schedule contains market-based pricing that subjects the Customer to certain risks, including fluctuation in rates and prices set by the Midcontinent Independent System Operator (MISO).
- Any Customer desiring to take service under this rate schedule must execute a contract with the Utility that commits to a minimum term of service, outlines the expected peak demand and load factor, agrees to the requirements for registering generation with MISO, and acknowledges the risks of market-based pricing.

Billing Determinants

Energy: Actual metered hourly usage

Transmission Demand: Monthly maximum metered 15-minute Customer demand, adjusted for:

- Applicable MISO zone transmission losses

Capacity: Customer shall select one of the options below:

- If Customer has its own generation, then the capacity billing determinant shall be the maximum metered 15-minute demand in excess of Customer's registered generation in a given month. To qualify for the billing determinant in the preceding sentence, Customer's generation must be registered with MISO and comply with all MISO requirements for capacity resources.
- If Customer does not have its own generation, or if Customer fails to register its generation with MISO or fails to comply with all MISO requirements for capacity resources, then the capacity billing determinant shall be monthly maximum metered 15-minute Customer demand.

Rates

The following charges shall apply to all energy quantities:

- MISO Real-Time Locational Marginal Price at the applicable MISO Node
- All applicable MISO Ancillary Services Charges
- MISO Multi-Value Project Charges
- A charge of 0.2 cents per kWh for the cost of compliance with the State of Minnesota's Renewable Energy Standard

- A charge of one cent per kWh to cover all dispatch, billing, and administrative costs. This charge shall be inclusive of all franchise fees and regulatory charges imposed by Utility on all customers.

The following charges shall apply to all transmission demand quantities:

- All applicable MISO transmission charges, including but not limited to:
 - Schedule 1
 - Schedule 2
 - Schedule 9
 - Schedule 26

The following charges shall apply to all capacity quantities:

- The above-defined Capacity billing determinant multiplied by the MISO Zone 1 Capacity Auction Clearing Price for a given period.

If Customer has registered generation that does not perform as registered when requested by utility, utility's wholesale supplier, or MISO, Customer shall be responsible for:

- Any financial or other penalties imposed by MISO related to the generation's failure to perform
- All costs of utility or utility's wholesale supplier to acquire replacement capacity to replace registered generation that did not perform.

Customer shall pay a monthly transformation charge based on the cost of providing transmission transformed service to Customer, including recovery of costs for any new substation or related facilities.

Customer is responsible for any new charges or fees imposed by MISO or any new regulatory or legislative action that results in increased costs to provide power supply to Customer.

All rates in this electric rate schedule are subject to change on an annual basis.



June 2, 2022

City of Arlington
Attn: Administrator
204 Shamrock Dr
Arlington MN 55307-9551

Dear Mayors and Administrators,

Greetings, and best wishes to all as we approach a much-welcomed summer season in Minnesota.

We are writing to let you know that at its May meeting, the League's Board of Directors approved a preliminary maximum dues schedule increase of 3.5 percent for the fiscal year (FY) 2022-2023 that runs from September 1, 2022, through August 31, 2023. Dues are used to support the League's mission which is to promote excellence in local government through effective advocacy, expert analysis, and trusted guidance for all Minnesota cities.

Setting the maximum dues schedule increase is similar to a city setting its preliminary levy increase, in that the final dues schedule increase to be approved by the League Board cannot exceed the preliminary approved increase. The Board will formally discuss and approve a final dues schedule increase along with the League's FY 2023 budget at its August meeting.

Feel free to contact David Unmacht at (651) 281-1205 or dunmacht@lmc.org with any questions or if you want additional information on the League's dues and budget.

Also, a reminder to please join us in Duluth June 22-24 for the League's Annual Conference for city officials. We are returning to an in-person format for this year's conference and have scheduled some outstanding presenters as well as excellent networking opportunities. To learn more and register, visit lmc.org/ac22.

The League staff takes seriously our responsibility to carefully manage member assets, and we thank you for your continued support of the work we do on your behalf.

Sincerely,

A handwritten signature in black ink that appears to read "D. Love".

D. Love
President

A handwritten signature in black ink that appears to read "David Unmacht".

David Unmacht
Executive Director

Amy Newsom

From: David W. Niles <David.Niles@avantenergy.com>
Sent: Wednesday, June 29, 2022 4:55 PM
To: David W. Niles
Subject: MMPA Board Meeting Public Summary - June 2022
Attachments: MMPA Member Transmission Transformed Rate Sheet - June 2022.docx

Good afternoon,

The public summary of the June 2022 MMPA Board of Directors meeting is below. Also attached is the revised transmission transformed rate tariff for adoption by member utilities. It is especially important to approve the new version if you have already adopted the existing version.

The Board of Directors of the Minnesota Municipal Power Agency (MMPA) met on June 28, 2022, at Chaska City Hall in Chaska, Minnesota and via videoconference.

The Board reviewed the Agency's financial and operating performance for May 2022.

The Board discussed the current business environment and its impacts on MMPA's plans.

The Board discussed the Agency's approach to risk management.

The Board was informed that groundbreaking occurred on the Walleye Wind Farm on June 22. Walleye Wind Farm is a 110 MW wind farm in southwestern Minnesota. MMPA has a long-term power purchase agreement (PPA) for all of the wind farm's output.

The Board approved an updated version of its transmission transformed tariff to support economic development in member communities.

There was an increase of 19 customers participating in MMPA's residential Clean Energy Choice program from April to May. Customer penetration of the program increased to 3.9%.

Have a wonderful day!

Thanks,

-David

Amy Newsom

From: David W. Niles <David.Niles@avantenergy.com>
Sent: Wednesday, June 29, 2022 4:59 PM
To: David W. Niles
Subject: MMPA Energy Adjustment Clause for July 2022

Good afternoon,

The continued upward pressure on natural gas prices is substantial.

We project that the total average rate to MMPA members for July will be \$101.74 per MWh. This is \$15.31 per MWh higher than the budgeted MMPA rate for July.

This results in an EAC to members of \$0.02474 per kWh for the month of July.

Xcel's projected rate for July is \$113.04 per MWh using MMPA billing determinants and Xcel's published A15 rates at transmission voltage, including Xcel's fuel clause adjustment for July.

As we have discussed at recent MMPA Board meetings, we anticipate using approximately \$3 million of MMPA's energy adjustment clause funds in July to maintain rates 10% below those of Xcel.

Thanks, and have a great day!

-David W. Niles
Senior Vice President
Avant Energy, Inc.
220 South Sixth Street, Suite 1300
Minneapolis, MN 55402
(612) 252-6531 Direct



Councilmember _____ introduced the following resolution and moved for its adoption:

RESOLUTION 43-2022

A RESOLUTION APPROVING THE APPLICATION FOR A LAWFUL GAMBLING PERMIT FOR SIBLEY EAST WOLVERINE BOOSTERS INC.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Arlington hereby approves the application for a Lawful Gambling Permit as submitted by Sibley East Wolverines Boosters Inc for a raffle at the Sibley County Fairgrounds August 3, 2022-August 7, 2022.

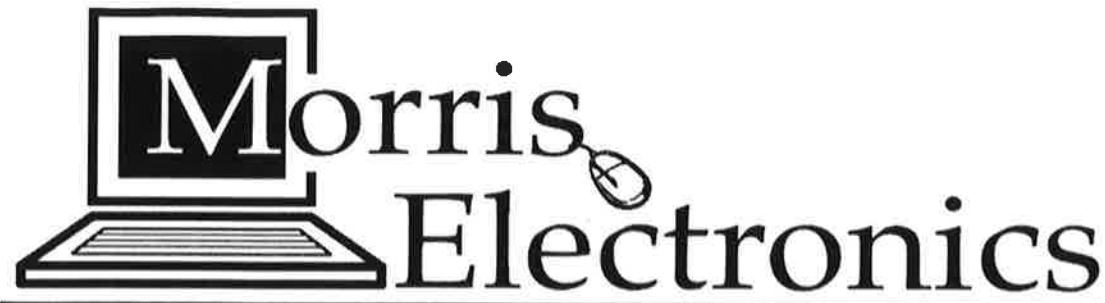
The motion for the adoption of the foregoing resolution was duly seconded by Councilmember _____, and upon poll being taken thereon the following voted in favor thereof: _____; the following voted against: _____; the following abstained: _____; and the following were absent: _____.

The foregoing resolution was adopted by the City Council of the City of Arlington this 5th day of July 2022.

Signed: _____
Mayor

Attested: _____
City Administrator

Whereupon the resolution was declared duly passed and adopted and was signed by the Mayor whose signature was attested by the City Administrator.



511 Atlantic Ave., Morris, MN 320-589-1781

Wednesday, June 29, 2022

Good Afternoon!

On behalf of the entire Morris Electronics, Incorporated family, we welcome the opportunity to respond to the Arlington Police Department's request for proposal on providing computing environment services and support.

MEI has decades of experience and ongoing commitments in the design, implementation, and maintenance of computing environments for both criminal justice and non-criminal justice entities in the state of Minnesota. This includes small local cities, large counties, tribal, and commercial entities.

The requirements for computing environments of criminal justice agencies are strictly regulated, complicated, changing, and are defined by written Minnesota Bureau of Criminal Apprehension and the Federal Bureau of Investigation policies. Criminal justice entities are bound to these requirements with an agency's executed agreement with the MN BCA.

MEI, as a third-party, commercial, non-criminal justice has always met the BCA/FBI requirements to support criminal justice environments. MEI has completed the BCA Vendor Vetting Process for all employees. MEI has an excellent working relationship with the BCA and performs the duties of Local Agency Security Officer for many criminal justice agencies.

MEI maintains an on-line support ticketing system for customer reporting of any issues, questions, or concerns and we are always available by telephone and email. MEI stands with our customers; this includes 24/7/365 support, presenting and answering questions during County Board and City Council meetings. We are totally open and transparent in working with you, other vendors, and your partners.

Listed below is our Professional Service Contract for your review and consideration. If you have any questions or concerns, please contact us.

ARLINGTON MINNESOTA POLICE DEPARTMENT

Professional Service Contract

This Agreement made this 1st day of July 2022, between the Arlington Minnesota Police Department (hereinafter referred to as APD) and Morris Electronics (hereinafter referred to as IDC).

This Agreement shall become effective only upon mutual acceptance by both parties.

APD agrees to pay IDC, as full payment for services to be provided by IDC, a sum of \$200 a week for unlimited remote support Monday through Friday from 8:00AM to 5:00PM for the period July 1st through December 31st, 2022.

APD agrees to pay IDC for any on-site/special projects on a time and material basis (\$100.00 per hour and milage at current IRS rate), such as:
Implementing a new NAS solution

A written quote will be prepared by IDC for APD on each additional/special project itemizing all hardware, software (including licensing), planning and implementation time/cost. IDC and APD will agree on a written statement of work prior to any billing to APD. If APD approves the project, APD agrees to pay the costs in the statement of work.

Expense Reimbursement

IDC shall be entitled to reimbursement from APD for meals and lodging expenses, only if overnights are needed and are not to exceed the amount set in APD's Personnel Policy. Overnights, meals and lodging need to be preapproved by the contract coordinator specified below and invoiced separately.

It is expressly agreed by both parties that no payments will be considered wages and fringe benefits including but not limited to workers compensation and unemployment will not be provided or paid on behalf of the IDC. In the event that IDC fails to perform its obligations under this contract, APD shall have the option to terminate this contract with IDC within a responsible time and be reimbursed amount prepaid, minus the actual hours of services provided at the discounted rate.

The term of this agreement shall be from July 1, 2022, through December 31, 2022. The agreement will automatically terminate on January 1, 2023, and that no notice to either party is required.

The IDC, in consideration of the payments specified above, agrees to perform the following services within the terms of the contract:

Morris Electronics, Inc. (IDC) will assist in maintaining Arlington Minnesota Police Department's computer networks. Connectivity to other networks is also provided under this contract.

Below is a list, but not limited to types of possible services:

- 1) Address server and workstation issues
- 2) Maintain and monitor Anti-Virus software
- 3) Maintain E-mail software

- 4) Work with structured cabling issues
- 5) Assist with developing a strategic technology plan
- 6) Troubleshoot areas around technology
- 7) Backup APD's vSphere Environment, including Active Directory, File and Printer Server, and WatchGuard System/Data

The parties further agree that Morris Electronics, Inc. is an Independent Contractor (IDC) and that APD shall not exert any control over the responsibility for: (1) employees of the IDC; (2) the debts or purchases of the IDC; (3) the manner of means employed by the IDC in meeting its obligation under this contract.

Denley Kompelien (Interim Chief of Police) of the Arlington Minnesota Police Department of the City of Arlington Minnesota, to hereinafter represent APD in its dealings with the IDC until a permanent Chief of Police is named. This agent shall have the authority to accept or reject, in whole or in part, the work and/or services specified above.

The parties further agree that:

- 1) This contract shall not be construed to authorize IDC to incur any expenses or debts on behalf of APD and
- 2) That all information and knowledge pertaining to this contract are the property of APD and no such information or knowledge shall be divulged to anyone but the designated agent and
- 3) That no knowledge or information obtained pursuant to this contract shall be published without prior written authorization of the designated agent and
- 4) Any and all work performed by IDC for his contract are property of APD and
- 5) That IDC shall hold APD harmless on account of any liabilities arising pursuant to the work and/or services performed under this contract and
- 6) That IDC shall abide by all applicable Federal and State Laws pertaining to the work and/or services to be performed hereunder and
- 7) Upon request of APD, IDC will provide prior to engagements of contract, a copy of all necessary proof of insurance.

Both APD and IDC agree to the above, Contract and the terms and conditions by signing below.

(Police Chief)
Printed Name

(Police Chief)
Signature/Date

(Authorized agent of IDC)
Printed Name

(Authorized agent of IDC)
Signature/Date

511 Atlantic Ave
Morris MN 55267
Address of IDC

41-1768938
IDC Federal ID Number

21+ years	256 hours	152	4
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13.4 Paid Time Off

Paid Time Off (PTO) replaces vacation and sick leave beginning in 2018. The only requirement for the use of PTO is that it be approved through your supervisor so that your absence does not create a hardship for the department.

Any time off during probation, except for funeral leave, will be taken as unpaid leave. After a successful probationary period, employees will receive 68 hours of PTO and begin accruing 4 hour per pay period for the remainder of the year. Employees will have access to use their PTO time 30 days following the end of their probation period.

The City of Arlington will cap the amount of PTO leave at 296 hours per year. Employees will have until May 18, 2022 to get below 296 hours. Any hours over 296 after May 18, 2022 will be forfeited.

PTO will be accrued through an annual allocation in January and four hours per pay period for the remainder of the year. The January allocation will vary depending on your years of service.

Employees hired prior to January 1, 2018, will retain current sick leave balances as of December 17, 2018 to be titled "Catastrophic Sick Bank", and available for use when three or more days absence is required. Employees that retire with a balance in the Catastrophic Sick Bank will be eligible to have 40% of the sick leave paid out at their hourly rate as of December 18, 2017, and at percentages provided for in the prior sick leave policy.

Employees leaving the City in good standing for a resignation or retirement are eligible for a payout of their accrued leave up to the maximum accrual amount or one and a half of their annual accruals. Employees will have the option to direct this money into a Healthcare Savings Account, 457 Deferred Compensation Plan (subject to IRS maximum deferral regulations and Minnesota Law) or receive a payout after taxes.

Towards year end, employees whose actual years of service of contract period exceed two years are eligible to designate up to 48 hours of unused PTO for payment into a Healthcare Savings Account or 457 Deferred Compensation Plan, as long as the employee has used at least 30% of the annual leave accrual in the current year.

Annual leave will accrue on a pay-period basis up to a maximum of one-and-one-half times the employee's maximum annual accrual rate as noted above. Employees may carry over any annual leave that does not exceed the stated cap. No additional accrual will occur above the cap.

Annual leave will not accrue during unpaid leaves.

13.5 Catastrophic Sick Bank

Employees hired prior to January 1, 2018, who have accrued sick leave will retain sixty-five (65) percent of their sick leave balance to be used as "catastrophic sick bank" until the balance is exhausted. Catastrophic sick bank can be used for any doctor certified extended leave that would have been covered under the previous sick leave policy. An extended leave for purposes of this policy is defined as one requiring an employee to be out of work for more than three (3) consecutive days.

If an employee knows he/she will be out for more than three (3) consecutive days before the absence, he/she will be eligible to use the deferred sick leave from the first day. For example, if an employee has a scheduled surgery where he/she knows – in advance – he/she will be out for two (2) weeks, the employee will be able to

use hours from the deferred sick leave bank starting on the first day of the absence. If an employee is out and expects to return within three (3) days, he/she will use Annual Leave. If the medical condition extends beyond the three (3) days, the deferred sick leave bank will be applied retroactively, and any annual leave used will be restored to the employee's annual leave balance.

Once the catastrophic sick bank is exhausted, employees will use annual leave for all absences covered by the annual leave program. **The City will pay out 40% deferred sick leave bank at termination.**

13.6 Returning to Work After a Medical Absence

After a medical absence, a physician's statement may be required on the employee's first day back to work, indicating the nature of the illness or medical condition and attesting to the employee's ability to return to work and safely perform the essential functions of the job with or without reasonable accommodation.

Any work restrictions must be stated clearly on the return-to-work form. Employees who have been asked to provide such a statement may not be allowed to return to work until they comply with this provision. Leave may be denied for any employee required to provide a doctor's statement until such a statement is provided.

The City has the right to obtain a second medical opinion to determine the validity of an employee's workers' compensation or sick leave claim, or to obtain information related to restrictions or an employee's ability to work. The City will arrange and pay for an appropriate medical evaluation when it has been required by the City.

13.7 Current Vacation Balances

Unused vacation balances shall be converted to annual leave on an hour for hour basis.

13.8 Severance Pay

Employees leaving the City in good standing will receive 100 percent of their annual leave balance as compensation (applicable taxes will be withheld). Employees have the option of directing those dollars into a 457 deferred compensation plan (subject to IRS maximum deferral regulations and Minnesota law).

13.9 Unpaid Leave

Unpaid leaves may be approved in accordance with the City personnel policies. Employees must normally use all accrued annual leave prior to taking an unpaid leave.

If the leave qualifies under Parenting Leave or Family and Medical Leave, the employee may retain a balance of forty (40) hours when going on an unpaid leave. Any exceptions to this policy must be approved by the City Administrator.

13.10 Annual Leave Conversion

Annual leave will be eligible for conversion to a 457 deferred compensation plan on an hour-for-hour basis (subject to IRS maximum deferral regulations and Minnesota law) annually with the following conditions. A maximum amount of 48 hours may be converted each year provided the employee has used as least 30% of his/her annual accrual during the current calendar year and has a balance of at least 176 hours.

The minimum balance requirement will be determined as of the first payroll in December. Payment will be based on the employee's current hourly rate on December 1.

Conversion to deferred compensation will occur in the second payroll of the following year with specific dates to be determined by the Administrator's Office each year. The City Administrator, or Deputy City Clerk, will notify all employees in November of each year as to the dates and conversion options. Regular rate for the purpose of this policy is the employee's straight time rate not including overtime, pay differentials, out-of-class,

SERVICE LEVEL AGREEMENT

This Agreement, made and entered into by and between Sibley County, Minnesota, a municipal corporation under the laws of the State of Minnesota, (hereinafter referred to as “County,”) and the City of Arlington, a municipal corporation under the laws of the State of Minnesota, (hereinafter referred to as “City”) (Collectively referred to as “Parties”) agree as follows:

WHEREAS, the Sibley County Library System is in the process of transitioning from a County run system to a system where each individual City in Sibley County is responsible for the library located within its city limits, based upon the terms and conditions contained herein; and

WHEREAS, the County wishes to provide structural support to continue and enhance its collaborative relationship with the libraries contained within Sibley County; and

WHEREAS, the County is committed to maintaining a fiscal contribution for the success of the libraries within its borders and intends to appoint a Commissioner to represent the libraries on the Traverse Des Sioux Governing Board; and

WHEREAS, the City is committed to maintaining or enhancing the operation of the Arlington Library at a same or similar operational standard to the County’s operations at the time of this agreement; and

WHEREAS, the City is committed to budgeting and contributing to its library at its 2022 level of funding or greater; and

WHEREAS, the parties to this agreement wish to delineate specific terms of operations, collaboration, and planning for achieving the above objectives.

NOW THEREFORE, in consideration of mutual promises contained herein and other good and valuable consideration, the parties agree as follows:

1. **Period of Agreement:** This agreement will commence upon ratification by each of the parties. The agreement will expire on December 31, 2025, unless otherwise amended in writing by the parties.
2. **2022 Transition Guidelines:** The County shall turnover to the City full legal and operational control of the Arlington Library on January 1, 2023. Unless otherwise stated herein, the City shall be responsible for all operations within the ordinary course of business including, but not limited to, hiring a sufficient staff of employees, purchasing library inventory and any other materials or services necessary to operate the library in its ordinary course, facility maintenance, and operating cost. During the transition period between the Effective Date of this Agreement and until January 1, 2023 the following actions will be taken by the Parties:

- A. The City will hire a staff to operate the Arlington Library and this staff shall consist of existing Arlington Library staff, whom shall be hired as City employees effective on December 10, 2022 and shall comprise of a Library Director and a sufficient amount of part-time library staff positions. All the referenced hirings by the City shall be made according to the City's personnel policies and all applicable laws and regulations.
- B. The City will take all necessary steps to establish a City directed Library Board according to Minnesota Statute § 134.09.
- C. The County will provide the City with the County's current personnel policy as well as job descriptions of each library position to be used as a reference in the above-mentioned hiring process(es). The County will not provide any personnel records in the County's possession.
- D. The County will provide an invoice to the City for the City's share of Paid Time Off (PTO) that is expended according to the balances of PTO on December 9, 2022 to be paid out to the Library Director.
- E. The County will provide the City or its Library Director with written notice of a moratorium of ordering supplies after November 15, 2022 to assure a clean cutoff of accounts payable by year's end 2022.
- F. The County will transition the Verizon cell phone billing to the City in November 2022.
- G. The last monthly Sibley County Library Board meeting will be held in November 2022.

3. Funding and Support

- A. The County will transfer to the City its respective fund balances. The balance will be the amount on hand on December 31, 2022 less any payables. The distribution will occur no later than February 28, 2023.

- B. The County will distribute to the City any remaining balance in the County's Fund 27 Program 801 account. The distribution will be an equal shared portion equivalent to 20% to each city that operates a library in the County. The distribution will occur no later than February 28, 2023.

- C. In 2023 and each year thereafter during the term of this Agreement, the County shall provide the City with funding for the Arlington Library of no less than the figures contained in Attachment "A" hereto. The referenced funding is intended to function as supplemental financial support to the City's budgeted funding. The figures contained in Attachment "A" are based upon the following criteria:
 - i. The 2023 County budgeted support funding amount shall be equal to three percent (3%) above the 2022 levy amount of \$ 376,198. The County's support funding shall increase year over year thereafter at the same three percent (3%) above the previous year's levy amount (See attachment A).

- D. The County will distribute its funding support share to the City on a quarterly basis. Quarterly payments will occur based on the following schedule:
 - Quarter 1 – January
 - Quarter 2 – April
 - Quarter 3 – July
 - Quarter 4 – October

- E. The City shall budget for library operations agreed to herein for the year in 2023, and each year thereafter. The budget amount will equal or exceed the amount budgeted in 2022. The budget for the Arlington Library shall increase each year at a minimum of 2% greater than that of the previous year's budget at the figures no less than contained. (See Attachment "B")

4. Library Expectations: The Parties agree and covenant to the following:

- A. The total weekly hours of operations will remain the same or shall otherwise be greater than those levels in calendar year 2022.

- B. The library building shall be maintained and repaired to at least a commercially reasonable standard to ensure the building maintains a suitable aesthetic and is at least suitable for use as a public library.

- C. The Library Director will continue to meet with the Library Directors of the other Sibley County libraries on a regular basis to encourage networking and sharing of programming.
- D. The inventory of materials available for the public will be equal to or greater than calendar year 2022 to include, but not limited to, laptops, hotspots, books, DVD's, CD's, etc.

5. Boards and Reporting:

- A. The Sibley County Board of Commissioners will appoint a sitting county commissioner to serve on the Traverse Des Sioux Library Board to represent the interests of the Arlington Library. The County shall provide regular updates and reports to the City of TDS Board actions.
- B. The City will give the Sibley County Board of Commissioners an update on operations and funding each year no later than the last commissioners meeting of that calendar year or otherwise within a reasonable amount of time after the City's budget has been approved.

6. Modification: Any modifications to this agreement shall be done in writing and approved by the City and County. The County and City will review this service level agreement each year in good faith, no later than the end of October of each year and make appropriate changes as agreed.

7. Additional Terms:

- A. This Agreement, and its designated sections, contains the entire agreement between the parties and supersedes any and all agreement, written or oral, express or implied, pertaining to its subject matter. It may be changed only by written instrument signed by both parties.
- B. This Agreement shall be governed and construed in accordance with the State of Minnesota Law.
- C. Either Party shall not assign this Agreement without the prior written consent of the other.

D. The undersigned executing this Agreement represents and warrants that they have been duly authorized by majority vote of each parties elected board/council to execute this Agreement, and that this Agreement shall bind the parties to the terms and obligations contained herein.


Dated: _____, 2022

SIBLEY COUNTY

By: Christian Lilienthal


Its: County Board Chair

By: John Glisczinski


Its: County Administrator

Dated: _____, 2022

CITY OF ARLINGTON

By: Richard Nagel

Its: Mayor

By: Amy Newsom

Its: City Administrator

Attachment A

	Percentage of Support	2023 Support	2024 Support	2025 Support
Arlington	20.00%	\$ 77,497	\$ 79,822	\$ 82,216
Gaylord	20.00%	\$ 77,497	\$ 79,822	\$ 82,216
Gibbon	20.00%	\$ 77,497	\$ 79,822	\$ 82,216
Henderson	20.00%	\$ 77,497	\$ 79,822	\$ 82,216
Winthrop	20.00%	\$ 77,497	\$ 79,822	\$ 82,216
Totals		\$ 387,484	\$ 399,109	\$ 411,082

Attachment B

	2022 City Contribution	2023 City Minimum Contribution	2024 City Minimum Contribution	2025 City Minimum Contribution
Arlington	\$ 41,227.00	\$42,052	\$42,893	\$43,750
Gaylord	\$ 40,719.00	\$41,533	\$42,364	\$43,211
Gibbon	\$ 33,003.00	\$33,663	\$34,336	\$35,023
Henderson	\$ 23,301.00	\$23,767	\$24,242	\$24,727
Winthrop	\$ 32,188.00	\$32,832	\$33,488	\$34,158
Totals	\$170,438.00	\$173,847	\$177,324	\$180,870