

**MINUTES
REGULAR CITY COUNCIL MEETING**

FEBRUARY 27, 2013

Mayor Pro Tem Jean Soine called the meeting to order at 6:00 p.m. Council members present were Kay McDaniel, Donavan Mayer, and Gene Beavers. Jeff Thompson was absent. Others present were Renee Eckerly, City Administrator; Ron Mergen, Public Works Director; Jennifer Welling, Administrative Assistant; Bill Spooner, City Attorney; Ashley Alsum, Cable Coordinator; Chuck DeWolf, Bolton & Menk, Inc.; Ellarry Prentice, Press; Mark Eckerly, Neil Herzberg, Linda Hiltner, Sylvester Hiltner, and Paul Wegner, Police Chief.

The Pledge of Allegiance was recited. Council members gave verbal activity reports.

CONSENT AGENDA

Motion to approve the minutes from the following meeting: January 9, 2013 Public Works Committee and October 15, 2012 Special Joint City Council & Budget & Finance Committee.

Motion to approve the following vouchers:

02/13/2013	Vouchers	85708-85711	\$882,705.62
02/27/2013	Purchased Stockman Bank Certificate		\$150,000.00
02/14/2013	Liquor Sales Tax - Jan 2013		\$6,031.00
02/21/2013	Payroll	85712-85716	\$3,404.86
02/21/2013	Payroll Direct Deposit		\$11,772.75
02/21/2013	Payroll	85717-85725	\$9,036.63
02/21/2013	Payroll - Fed		\$4,196.65
02/21/2013	Payroll - State		\$771.87
02/21/2013	Payroll - ING		\$275.00
02/21/2013	Payroll - TASC		\$446.13
02/20/2013	Vouchers	85726-85773	\$62,682.78
Total			\$1,131,323.29

Motion to approve the attendance of Renee Eckerly to the CliftonLarsonAllen 4th Annual Government Training Academy on March 1, 2013 in Minneapolis, MN.

Motion to approve the attendance of Renee Eckerly to the 2013 LMC Safety Loss Control Workshop on April 23, 2013 in St. Cloud, MN.

Motion to approve the attendance of the following firefighters to the 2013 MN Fire/EMS/Rescue School & Expo to be held on March 2 – 3, 2013 in North Mankato, MN:

Tim Miller	Rope Rescue Basics
Rachael Nelson	Rope Rescue Basics
Cathy Christensen	Firefighter Accountability
Shane Schmidt	Firefighter Accountability
Roger Torborg	Fire Apparatus Maintenance

Motion was made by Beavers to approve the Consent Agenda. Seconded by Mayer and unanimously carried.

REQUEST TO WAIVE UTILITY BILL LATE FEE

A written request from Linda Hiltner, S.L. Hiltner Management, LLC requesting the Council to waive their utility bill late fee in the amount of \$296.24 for the property they own on 121 Washburne Ave. (Plaza Apartments) was presented. Eckerly explained that Hiltner's have not had a late fee recently. There was some discussion on the late fee and if it is necessary to be so high; covering the costs, and using it as a penalty. It was suggested that the Public Works Committee create a policy for the Council to approve, but be enforced administratively. This should not be coming to Council. Spooner noted that the public does have the right to appeal an administrative decision.

Motion was made by McDaniel to waive the utility bill late fee in the amount of \$296.24 for the property at 121 Washburne Ave. (Plaza Apartments) owned by Linda Hiltner, S.L. Hiltner Management, LLC. Seconded by Beavers.

The Council further discussed the amount of the late fee; that seemed excessive and goes above and beyond the actual costs. In addition, some were bothered by the request. It was noted that prior requests have been approved. The City should not be approving waivers for the "I forgot or didn't know" reasons. Maybe in extenuating circumstances one could be considered. It was questioned if 10% is reasonable or should there be a set fee. Spooner commented that this bill is unusual compared to all other bills. 10% on an ordinary bill is much smaller. This bill is large due to multiple users. The penalty is set high to motivate users to pay on time. There was some discussion to cap the amount of the late fee. Spooner interjected that the Council may not like the policy, but the Council made it. This will be put on the Public Works Committee agenda to come up with a policy for the Council to consider.

The motion unanimously carried.

FIRE DEPARTMENT – PURCHASE OF RAPID INTERVENTION TEAM (RIT) EQUIPMENT

The Fire Department would like to purchase RIT Equipment in the amount of \$4,556.66. Mergen stated that the equipment would be used for grain bin rescues.

Motion was made by Mayer to approve the purchase of Fire & Rescue RIT Equipment in the amount of \$4,556.66 and use funds from Small Equipment Capital Improvement. Seconded by McDaniel and unanimously carried.

FIRE DEPARTMENT – SURPLUS RADIOS

The Fire Department would like to surplus the following:

- 1 – Motorola Mobile Radio (needs a wire base) M623ABA0944 2 face pieces – MCS 2000
- 10 – Hand held radios HT1250 with charging bases
- 1 – Hand held radio HT1250 with no charging base

All radios need to be un-programmed. Mergen stated that these are VHF radios and the department has switched to 800 Mghz.

Motion was made by Beavers to declare Fire Department radios and equipment as surplus property and advertise for sealed bids. Seconded by Mayer and unanimously carried.

2013 CRACK SEALING

An excerpt from the Public Works Committee meeting minutes were presented as follows:

It was reported that the City has been working with Paynesville Township and the City of Melrose for a number of years. The City purchases the needed material and share the rental costs. A cost estimate was reviewed stating the total cost would equal \$8,922.93 split 3 ways or \$2,974.31 each plus router bits if needed. It was noted that Paynesville Township will only purchase 1,000 pounds; the supplier will honor the same price of \$.615 per pound. After a short discussion,

Motion was made by Peschong to approve the Crack Sealing estimate in the amount of \$2,974.31 plus router bits if needed and recommend such to the City Council. Seconded by Quade and unanimously carried.

The Public Works Committee has reviewed this and recommends approval. Mergen stated that for a number of years the City has worked with the City of Melrose and Paynesville Township on crack sealing.

Motion was made by Beavers to approve the Crack Sealing estimate in the amount of \$2,974.31 plus router bits if needed. Seconded by McDaniel and unanimously carried.

STREET SWEEPER

Mergen reported the following:

- The Public Works Committee is looking at a different street sweeper
- The existing sweeper is a 1976 which was purchased in 1992 for \$17,500.00
- Committee members are planning on visiting McQueen to look at sweepers
- The Public Works Department is looking at increasing the street sweeping to twice a month
- There may be a minimal trade in value, but the sweeper would not be put back into service
- There may be some interest from a private contractor
- There is \$300,000.00 in CIP
- Estimated price for a different sweeper is \$25,000.00 to \$50,000.00

LAKE HENRY CONTRACT FOR OPERATION OF WASTEWATER TREATMENT FACILITY

A proposed 3-year Contract Between The City Of Paynesville And The City Of Lake Henry For Operation Of Wastewater Treatment Facility was presented. The Public Works Committee has reviewed this and recommends approval. Mergen explained that the City has been operating the Lake Henry facility since the early 1990's. The Budget & Finance Committee has reviewed the fees and recommends approval. Lake Henry has already approved the agreement.

Motion was made by McDaniel to approve Contract Between The City Of Paynesville And The City Of Lake Henry For Operation Of Wastewater Treatment Facility. Seconded by Mayer and unanimously carried.

Mergen suggested that the fees be added to the City's fee schedule.

RECREATIONAL PROGRAMS FUNDING

The Council has approved the 2013 Budget that included the following Recreational Program contributions:

After Prom	\$450.00
Community Education	\$6,251.00
Historical Society	\$8,000.00
Paynesville Area Center	\$8,500.00
Fireworks	\$2,000.00

The contracts for services for the above entities were presented except for the fireworks which there is no contract for. The PNLS Hockey Association Contract will be submitted for approval once the Environmental Committee has reviewed it. There was some discussion on if the entities should be paid now or wait until LGA funds are received.

Motion was made by Beavers to approve the contracts for services to the following:

After Prom	\$ 450.00
Community Education	\$6,251.00
Historical Society	\$8,000.00
Paynesville Area Center	\$8,500.00
Fireworks	\$2,000.00

and allow the City Administrator to make the payments when necessary. Seconded by McDaniel and unanimously carried.

CONCERT IN THE PARK

Paynesville Community Education would like to request the usage of the Veterans Park Shelter kitchen with outdoor seating again this year (at no cost; but the City would be listed as a Concert Series Sponsor) for the Summer Concert in the Park Series to be held Thursday evenings from 4 – 9 pm June 20, 2013 to July 18, 2013. Due to the 4th of July holiday within the event schedule they may have to extend it to July 25, 2013. The Park & Tree Board has reviewed this and recommends approval.

Motion was made by Beavers to allow the Paynesville Community Education to use the Veterans Park Shelter kitchen and outdoor seating at no cost; but the City would be listed as a Concert Series Sponsor for the Summer Concert in the Park Series to be held Thursday evenings from 4 – 9 pm June 20, 2013 to July 18, 2013 with the extension of July 25, 2013 if necessary. Seconded by Mayer and unanimously carried.

LIFEGUARD AGREEMENT

The Joint Powers Agreement For The Hiring Of Lifeguards between the City of Paynesville, Paynesville Township, and Koronis Lake Association was presented. This is an annual agreement and there is no significant changes.

Motion was made by Beavers to approve the Joint Powers Agreement For The Hiring Of Lifeguards between the City of Paynesville, Paynesville Township, and Koronis Lake Association. Seconded by McDaniel and unanimously carried.

VETERANS PARK LAWN MOWING & TRIMMING AGREEMENT

The Veterans Park Lawn Mowing & Trimming Agreement between the City of Paynesville and Paynesville Township for the trimming and mowing at Veterans Park was presented. This is an annual agreement and there is no significant changes. Mergen stated that in 2012 the Township charged the City \$1,100.00 for the mowing and trimming. This will be the third year for this contract.

Motion was made by Beavers to approve the Veterans Park Lawn Mowing & Trimming Agreement between the City of Paynesville and Paynesville Township. Seconded by Mayer and unanimously carried.

BUILDING INSPECTOR RFP

At the February 7, 2013 Special City Council – Goals & Objectives Meeting the Council requested that Building Inspector Request For Proposals (RFP's) be put on a future agenda to discuss proceeding with the RFP's for Building Inspection Services. Eckerly stated that she would update the RFP and have it available at the next meeting.

Motion was made by Beavers to proceed with Building Inspector RFP's. Seconded by Mayer and unanimously carried.

POLICE DEPARTMENT – PURCHASE OF SQUAD CAR & LAPTOP

Wegner explained that the Police Department's oldest squad car, 2006, has over 107,000 miles on it and is need of replacement. Quotes were accepted from both Yarmon Ford (2013 Ford Interceptor Utility \$27,362.68) and Koronis Motors (2012 Chevy Impala Sedan \$22,950.00) for new squad cars, as well as the state contract dealerships (\$26,758.82 from Nelson Auto, Fergus Falls). Due to the fact that Ford discontinued the Crown Victoria, the new squad would need to be outfitted with all new equipment at a cost of \$6,018.27. The cost for the new camera system and radar plus installation (Matt Heinen of Sauk Rapids \$1,440.00) is \$9,027.50. The current camera and radar are old technology. Money from Police Forfeitures fund 205 with a balance of \$4,039.86 and Administrative Tickets with a balance of \$3,400.00 can be used to offset some of the costs. The vehicle would be purchased out of Capital Improvement fund 122 that has a balance of \$80,391.09.

An excerpt from the Budget & Finance Committee Meeting minutes: After a lengthy discussion, Budget & Finance Committee took the following action:

Motion was made by Eckerly to purchase the 2013 Ford Interceptor Utility vehicle from Yarmon Ford including the additional new equipment for \$42,801.95 with the contingency on selling the other three cars (1996 Ford Explorer, 2002 Mazda and 2006 Crown Victoria) and recommend such to the City Council. Seconded by McDaniel and passed 4 to 1 with LaBeau opposing.

Wegner further explained that the department is also in need of a new laptop for the squad car. The current laptop for that vehicle was purchased in 2007 and has difficulty at time running the software. With continued upgrades to the department's mobile software, a new computer is recommended.

An excerpt from the Budget & Finance Committee Meeting minutes: After a lengthy discussion, Budget & Finance Committee took the following action:

Motion was made by Soine to purchase the Panasonic CF-53 Toughbook laptop from MINCO for \$3,000.00 and use money from Administrative fines to purchase and recommend such to the City Council. Seconded by LaBeau and passed 4 to 1 with Ludwig opposing.

Wegner reported on the need for the car due to the age of the other and their mileage. The costs are higher than in the past due to Ford moving away from the Crown Victoria and the existing equipment will not fit on any new car; thus the need for all new equipment. Some of the equipment can/will be surplus.

The department will also surplus some other cars to offset the purchase of the new car. There was some discussion on where the funding will come from for the purchase. The costs do include graphics. The car will be purchased from Yarmon Ford. Wegner reported that Administrative Fines money will be used for the laptop not the squad car.

Motion was made by Beavers to purchase the 2013 Ford Interceptor Utility vehicle from Yarmon Ford including the additional new equipment for \$42,801.95 with the understanding that the other three cars (1996 Ford Explorer, 2002 Mazda and 2006 Crown Victoria) would be sold as surplus property in 2013. Seconded by McDaniel and unanimously carried.

Wegner stated that the department will have to purchase one graphic from another company.

Motion was made by Wegner to approve the purchase the Panasonic CF-53 Toughbook laptop from MINCO for \$3,000.00 to be paid for with the money from Administrative Fines. Seconded by Beavers and unanimously carried.

2013 SEAL COAT PROJECT

The Seal Coat Project Provisions were reviewed. Excerpt of minutes from the February 12, 2013 Public Works Committee meeting:

Members reviewed the map of the proposed streets and discussed the seal coating process of oil and granite chips to protect the wear surface of the road. The balance in the street equipment/seal is currently at \$300,000.00 and the estimated cost is at \$68,412.00.

Motion was made by Quade to approve the seal coat at an estimated cost of \$68,412.00 and recommend such to the City Council. Seconded by Peschong and unanimously carried.

The Public Works Committee has reviewed this and recommends approval. Mergen stated that a seal coat is conducted on a street about every 5 – 7 years.

Motion was made by Beavers to proceed with the 2013 Seal Coat Project and advertise for sealed bids. Seconded by Mayer and unanimously carried.

CONSULTANT AGREEMENT FOR ACTUARIAL SERVICES

The City is required to conduct an actuarial valuation as per GASB 45. This valuation is conducted on the 2012 payroll and benefits and included in the 2012 audit. The cost to do such valuation is included in the 2013 budget. An actuarial is to be completed every 3 years. Hildi, Inc. has performed this service for the City since 2009 at the fee of \$2,800.00, which is the same amount of this consulting agreement.

Motion was made by Beavers to approve the Agreement for Consulting Services with Hildi, Inc. in the amount of \$2,800.00 and authorize the Mayor to sign the document. Seconded by Mayer and unanimously carried.

UNION NEGOTIATION TEAM MEMBERSHIP

Jeff Thompson asked that this be placed on the agenda to consider replacing Jean Soine with Gene Beavers on the Union Negotiation Team.

Motion was made by Mayer to replace Jean Soine with Gene Beavers on the Union Negotiation Team, effective immediately. Seconded by McDaniel and unanimously carried.

EDWARD SCHMITZ PROPERTY

An email from Attorney Spooner was reviewed. Does the Council wish to proceed with a lawsuit asking the Court for permission to remove the structure, if so desired, the City will need to produce an Order and support from the Building Official. Discussion. Spooner explained the properties on Minnie Street. One is not livable and the other had extensive fire damage to it. The City's needs the support and a report from the City's Building Inspector to get something done. There was some discussion on the City's options. It was suggested to try to find an independent Building Inspector to help the City through this process. Spooner will check the current contract to make sure there is not a conflict with the City doing such.

OPPORTUNITY PARK

EDAP did not have a quorum at their February 19, 2013 meeting; therefore, no action was taken regarding the platting of Opportunity Park Second Addition. The Council reviewed this on February 12, 2013 and recommended proceeding with the platting process pending EDAP approval. EDAP did recommend platting this property at their November 13, 2012 meeting (excerpt from the EDAP Board meeting):

The Board discussed the City plat and to plat the remainder of the property into lots so they will sell faster.

Motion was made by Stang to plat the remaining Opportunity Park property into small enough lots so people can purchase multiple lots, if necessary, and recommend such to the City Council. Seconded by Stanley and unanimously carried.

Motion was made by Beavers to proceed with platting. Seconded by Mayer and unanimously carried.

WASTEWATER TREATMENT FACILITY RE-SCOPING PROJECT

DeWolf reported the following:

- The contractor continues to work on the main lift
- The activity is weather dependent and will pick up once the weather is nicer
- The project is on schedule

Application For Payment No. 4 in the amount of \$232,183.80 payable to Magney Construction, Inc. for work completed through February 8, 2013 was presented. Eckerly stated that the City has received reimbursement from both MPCA (one payment) and PFA (two payments).

Motion was made by Mayer to approve Application For Payment No. 4 in the amount of \$232,183.80 payable to Magney Construction, Inc. Seconded by Beavers and unanimously carried.

INITIATIVE FOUNDATION – SUPPORT FOR BUSINESSES IMPACTED BY BYPASS GRANT

An invoice in the amount of \$1,555.25; payable to WebLink for the Chamber of Commerce website software, membership management software, and website design was presented. This would be an acceptable expense through the Initiative Foundation Grant. Eckerly explained that this bill has been pre-approved by the Initiative Foundation for reimbursement.

Motion was made by Beavers to approve the payment of \$1,555.25 from the Initiative Foundation Grant; payable to WebLink. Seconded by McDaniel and unanimously carried.

PURCHASE OF LAPTOPS FOR COUNCIL

At the September 12, 2012 City Council meeting there was discussion regarding the purchase of laptops or Ipads for the City Council. At that time, it was recommended to wait until after the first of the year. The Budget & Finance Committee has discussed this issue and having City owned equipment being an option for Council members. The Committee reviewed Ipads, tablets, and laptops and took the following action:

Motion was made by LeBeau to purchase Vostro 2420 Laptops from Dell with carrying cases for \$500.00 for those Council members who would like to use one during their term in office and recommend such to the City Council. Seconded by McDaniel and unanimously carried.

The laptops would be paid for from Administrative Capital Improvement, which has a balance of \$14,537.88. Eckerly explained that the laptops would need to have Microsoft Office loaded and also carrying cases ordered. There was some discussion on public and private data on private machines and the access to such versus on the City's server.

Motion was made by Beavers to purchase Vostro 2420 Laptops from Dell with carrying cases for \$500.00 for those Council members who would like to use one during their term in office and encourage Council members to use a City email address. Seconded by Mayer and unanimously carried.

Eckerly asked that each Council member notify her if they are interested in a laptop or not and the use of a City email address.

INFORMATIONAL

Thompson reviewed the following informational items: March & April Meeting Schedule, Xcel Energy – Rate Increase Notice, West Central Sanitation February Garbage Rates, MPCA – Certificate of Commendation, and MN City Attorneys Conference Report.

There being no further business, the meeting was adjourned at 7:08 p.m.

Renee Eckerly, City Administrator