

**MINUTES
REGULAR CITY COUNCIL MEETING**

FEBRUARY 23, 2015

Mayor Jeff Thompson called the meeting to order at 6:00 p.m. Council members present were Kay McDaniel, Donovan Mayer, Jean Soine, and Neil Herzberg. Others present were Renee Eckerly, City Administrator; Ron Mergen, Public Works Director; Jennifer Welling, Administrative Assistant/Zoning Specialist; Bill Spooner, City Attorney; Kent Louwagie, Bolton & Menk, Inc.; Ellarry Prentice, Press (6:10 p.m.).

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

CONSENT AGENDA

Motion to approve the minutes from the following meeting: December 29, 2014 Regular City Council, January 12, 2015 Regular City Council, December 8, 2014 Truth In Taxation Public Hearing, December 8, 2014 Regular City Council, December 16, 2014 Special City Council Working Session, January 12, 2015 Public Works Committee, January 20, 2015 EDAP Board, December 15, 2014 Policies & Procedures Committee, and December 17, 2014 Special Ad Hoc Enhancement Committee.

Motion to approve the following vouchers:

02/18/2015	Vouchers	89894-89952	\$78,311.72
02/18/2015	Payroll	89953-89956	\$3,631.28
02/18/2015	Payroll Taxes	89957-89963	\$5,720.01
02/18/2015	Payroll Direct Deposit		\$16,000.10
02/18/2015	Payroll - Fed		\$5,283.18
02/18/2015	Payroll - State		\$945.17
02/18/2015	Payroll - Pacific Life		\$482.70
02/18/2015	Payroll - TASC		\$392.28
02/18/2015	Payroll - PERA		\$5,367.37
02/18/2015	Payroll - AFLAC		\$139.41
02/18/2015	Payroll - SELECT		\$207.70
		TOTAL	\$116,480.92

Motion to appoint a teacher within the Science program at the Paynesville Area Schools to the Wellhead Protection Committee, effective immediately.

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

AIRPORT LAND RENT BIDS

Ron Mergen will give a verbal report. The following bids per acre were received for the airport land rent:

David Ampe	\$76.50
Mark Herding	\$111.50

Don Kelm	\$120.00
Adam Larson	\$120.00
David Sietsema	\$131.50
Duane Mages	\$154.00

Duane Mages is the apparent high bidder; therefore, a proposed Farm Lease, Cash Rent was presented for consideration. Mergen reported that three years ago the bid was \$120.00 per acre; this year at \$154.00 per acre. It is an additional \$3,400.00 in revenue.

Motion was made by Soine to approve the Farm Lease, Cash Rent Agreement between the City of Paynesville and Duane Mages. Seconded by Herzberg and unanimously carried.

2015 CRACK SEALING PROJECT

The quotes received for the crack sealing project are as follows:

Glieden Enterprises, LLC	\$1.49 per pound including equipment and labor
Lawrence Shreffler	\$1.55 per pound including equipment and labor
Pavement Resources	\$2.45 per pound including equipment and labor

The Public Works Committee has reviewed this and recommends approving the quote from Glieden Enterprises, LLC at an estimated total cost of \$7,450.00 for 5,000 lbs. Previously the City has worked with the City of Melrose and Paynesville Township on the annual crack sealing; however, due to labor constraints it has been suggested to sub contract the project out this year.

Motion was made by Herzberg to approve the quote from Glieden Enterprises, LLC in the amount of \$1.49 per pound including equipment and labor for crack sealing. Seconded by Mayer and unanimously carried.

2015 SEAL COAT PROJECT

Mergen reported that the project area includes the downtown, streets from the 2008 project and street south of Hwy. 55 that are scheduled for an overlay in the next 7 years. This year the department is proposing a TAC coat over the top, similar to the State and County specifications. This adds an extra coat of oil and holds the rock in place. The Public Works Commission has reviewed this and recommends approval.

Motion was made by Soine to advertise for bids for the 2015 Seal Coat Project with the bid opening date of March 31, 2015. Seconded by Herzberg and unanimously carried.

STREET SIGNS

Mergen reported on the difference in the existing street signs and the newly installed signs along Business 23. Differences being:

1. The County's street signs have 6" lettering on 9" signs; whereas, the existing signs have 4" lettering on 6" signs.

2. The County's street signs are located on the tops of the stop signs and the existing signs are on separate poles.

The Public Works Committee reviewed this and stated that the new larger signs are definitely easier to read and by installing them on top of the stop signs there is one less pole which cleans up the intersections. The cost difference is \$20.00 more per intersection for the larger signs and if 10 signs were replaced per year it would be \$200.00 or less by not purchasing the "U" post that the street signs are now mounted on. The Public Works Committee recommended changing the standard to the 6" lettering on a 9" sign to be installed on top of the stop signs.

Motion was made by Soine to change the sign standard to 6" lettering on a 9" sign to be installed on top of the stop signs. Seconded by Mayer and unanimously carried.

WATER TREATMENT EXPANSION PROJECT

Louwagie reported that trainings are being scheduled. Payment Estimate No. 13 in the amount of \$2,566.90; payable to Magney Construction, Inc. for work completed through January 31, 2015 was presented.

Motion was made by Mayer to approve Payment Estimate No. 13 in the amount of \$2,566.90; payable to Magney Construction, Inc. Seconded by McDaniel and unanimously carried.

COUNCIL CHAMBERS REMODEL PROJECT

Eckerly presented Change Order No. 5 in the amount of \$491.00 for labor costs for drywall patching and painting of 3 holes in soffit (speaker holes were made in the wrong spot) and Change Order No. 6 in the amount of \$94.48 for five (5) additional solar shades. Eckerly reported that there are a dozen punch list items that remain and that the project should be completed by Friday.

Motion was made by Mayer to approve Change Order No. 5 in the amount of \$491.00 and Change Order No. 6 in the amount of \$94.48. Seconded by McDaniel and unanimously carried.

PUBLIC WORKS DEPARTMENT – UTILITY BOX

Mergen presented price quotes for a new utility box and crane. They are as follows:

Aspen Equipment	\$22,464.00	
Bayer Truck & Equipment	\$23,500.00 (new)	\$17,000.00 (used)

The Public Works Committee discussed a Tommy Gate verses a crane. A crane can be utilized to man more tasks; lifting irrigation tires, gear boxes, lift station pumps, etc. A Tommy Gate is limited. There is possibly a safety grant up to \$10,000.00 that the City will apply for to help off-set the costs. The Public Works Committee recommends approving the quote from Aspen Equipment in the amount of \$22,464.00 for a utility box and crane.

Mergen further reported that the old box on the 2011 pickup was purchased in 1994. It was supposed to be upgraded in 2011, but it was rehabbed for \$2,500.00 instead. The aluminum boxes have a life expectancy of 20 years. In addition there are safety issues that could be eliminated with the crane. A safety grant has been applied for, in the amount of up to \$10,000.00.

Motion was made by Soine to approve the quote from Aspen Equipment in the amount of \$22,464.00 for a utility box and crane. Seconded by Herzberg and unanimously carried.

2015 CHAMBER HOME & BUSINESS EXPO

At this year's expo it has been suggested to highlight available land, holiday lights, splash pad, and the new CodeRED notification system. It was questioned if there are other things that the City may want to highlight. It was further questioned who is available to help on Saturday, April 18, 2015 at the expo that runs from 9:00 a.m. to 1:00 p.m. In addition, it was asked does the Council want available City employees to help at the expo with the above subjects.

HIRING OF NEW FIREFIGHTERS

The City received four applications for the Volunteer Firefighter position. Interviews were held on February 17, 2015. All applicants interviewed very well so Chief Liestman would like to request hiring Adam Fuchs and place Andrew Nienaber, Dominick Platow, and Ryan Kingery on an eligibility list in that order.

Motion was made by Soine to hire Adam Fuchs as Paynesville Volunteer Firefighters; upon the completion of one year probation and place Andrew Nienaber, Dominick Platow and Ryan Kingery on an eligibility list in that order. Seconded by Mayer and unanimously carried.

HIRING OF NEW HR & PAYROLL/CUSTOMER SERVICE SPECIALIST

The City received four applications for the HR & Payroll/Customer Service Specialist position. The Policies & Procedures Committee interviewed two applicants on February 17, 2015. This position has a starting wage of \$13.94 per hour, Grade 4/Step 1, 40 hours per week, plus benefits and a six month probationary period. The Policies & Procedures Committee passed a unanimous motion to invite Casandra Fuchs to come into City Hall and shadow staff for half a day and pending background checks recommends her to be hired as the HR & Payroll/Customer Service Specialist. Eckerly reported that Fuchs has asked several questions regarding the wage. Of the four applicants two declined to interview and one was not a good fit. The Policies and Procedures Committee discussed revising the job description and/or out sourcing payroll if the position continues to remain open.

The Council discussed out sourcing possibilities.

Motion was made by Herzberg to hire Casandra Fuchs as the HR & Payroll/Customer Service Specialist at a starting wage of \$13.94 per hour, Grade 4/Step 1, 40 hours per week, plus benefits and a six month probationary period. Seconded by Soine and unanimously carried.

TAX ABATEMENT

Eckerly reported on the proposed Tax Abatement Policy. The tax abatement would be:

- On materials only, not on engineering or labor
- For no longer than 5 years
- Project for a minimum of \$500,000.00 or more
- Must ask for prior to starting the project
- Can be used for commercial, industrial, and/or retail

The EDAP Board passed a motion to recommend to the City Council the Tax Abatement Policy and Application. The Council discussed tax abatement versus TIF. There was some discussion on changing the language for housing on pages 41 and 42.

Motion was made by Soine to adopt the Tax Abatement Policy and Application with the changes on page 41 and 42 regarding housing. Seconded by Thompson.

Some of the Council members were not comfortable with adopting the tax abatement or understood it well enough to vote for or against it. Eckerly will put together a phone conference with the representative from Northland Securities and anyone who would like to learn more about tax abatement.

Motion was made by McDaniel to table this for further research. Seconded by Mayer and unanimously carried.

MPCA – FORMER MID-TOWN SERVICE STATION

Mergen reported on MPCA's request to install another monitoring well 300 feet from the City's existing Well No. 6. If the benzene gets to that point it will be in the City's well. The Council discussed treatment options and getting support from legislators.

HIRING OF BUILDING OFFICIAL

Eckerly reported there is an interest from internal staff to train to be the Building Official. The Policies & Procedures Committee reviewed the request and discussed sharing a position between Public Works and Building Official.

Eckerly discussed the position with Jim Tews, Litchfield Building Official and has spoken to the Department of Labor & Industry regarding training. Eckerly has visited with Jim Tews regarding mentoring of the staff member. Tews recommends that the City send a letter to the Litchfield Council requesting Jim to remain as our Building Official through this transition which will take over a year.

The Policies & Procedures Committee passed a motion unanimously to post the Building Official position internally only and to work half time in as the Building Official and half time in Public Works department. Eckerly explained that the person would be paid two different wages (similar to the Police Officer and Emergency Management Director position(s))

Motion was made by Soine to post the Building Official position internally only at this time and to request the extended services of Jim Tews, Litchfield Building Official from the City of Litchfield. Seconded by McDaniel and unanimously carried.

INFORMATIONAL

Thompson reviewed the following informational items: March & April Meeting Schedules Notice of Environmental Assessment – Aurora Distributed Solar Project, Stearns County Public Hearing Notice, January Liquor Store Reports, City Attorney Conference Report, and Morgan Stanley Investment Report.

There being no further business, the meeting was adjourned at 7:25 p.m.

Renee Eckerly, City Administrator