

**MINUTES
REGULAR CITY COUNCIL MEETING**

MARCH 24, 2014

Mayor Jeff Thompson called the meeting to order at 6:00 p.m. Council members present were Kay McDaniel, Donovan Mayer, Jean Soine, and Gene Beavers. Others present were Renee Eckerly, City Administrator; Ron Mergen, Public Works Director; Jennifer Welling, Administrative Assistant; Bill Spooner, City Attorney; Ellarry Prentice, Press; Chuck DeWolf, Bolton & Menk, Inc.; Bill Ludwig, Liquor Store Manager; Bob Liestman, Fire Chief, Neil Herzberg, Brady Klingfus, Police Officer/Emergency Management Director; Belinda Ludwig, Finance Specialist; Sarah Utsch, CliftonLarsonAllen; Lee Landsteiner, NuCara; and Bill Koplín.

The Pledge of Allegiance was recited. Council members gave verbal activity reports. Eckerly reported she was elected as the MCFOA president.

CONSENT AGENDA

Motion to approve the minutes from the following meeting: February 10, 2014 Public Works Committee and February 24, 2014 Regular City Council.

Motion to approve the following vouchers:

03/13/2014	Voucher	87965	\$233.50
03/19/2014	Vouchers	87966-88030	\$104,159.50
03/20/2014	Payroll	88031-88059	\$10,719.61
03/20/2014	Payroll Direct Deposit		\$19,377.92
03/20/2014	Payroll Taxes	88060-88065	\$4,677.11
03/20/2014	Payroll - Fed		\$6,950.65
03/20/2014	Payroll - State		\$897.98
03/20/2014	Payroll - ING		\$275.00
03/20/2014	Payroll - TASC		\$466.13
03/20/2014	Payroll - PERA		\$4,343.76
03/20/2014	Payroll - AFLAC		\$139.41
03/20/2014	Payroll - SELECT		\$353.85
		TOTAL	\$152,594.42

Motion to appoint Brandon Michaelis and Neil Herzberg to the Environmental Committee, effective immediately.

Motion to approve the attendance of Renee Eckerly to the Art of Delegating Session at the 68th IIMC Annual Conference on May 17, 2014.

Motion to approve the refuse licenses for West Central Sanitation, Inc., Bueckers Recycling Service, Inc., and Veolia Environmental Services/Advanced Disposal; 3.2 on-sale beer license for Koronis Lanes and 3.2 off sale beer license for Alco Stores, Inc.

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

2013 AUDIT

Sarah Utsch from CliftonLarsonAllen was in attendance to present the 2013 Audit that included the following:

- Required communications
- Clean financial statements – clean opinion is the best opinion
- Three internal control findings:
 - Segregation of duties
 - Material audit adjustments
 - Financial statement preparation
- Legal compliance – single audit findings – none to report
- Suspension and debarment language missing from Bolton & Menk, Inc. contracts
- Revenues
- Expenditures
- Over 13 months in reserves – state auditor recommends 3-5 months in reserves
- Debt service fund
- Capital project fund
- Water fund –received more than spent and healthy fund balances at the end of the year
- Sewer fund – rates are being charged to cover the expenses
- Liquor Fund – inventory, sales, and costs of sales have all increased
- Clean audit with good results

NUCARA PHARMACY - ALLEY

The documents related to the alley and a letter from NuCara Pharmacy were presented. Lee Landsteiner, NuCara was in attendance to address the Council. Eckerly, Mergen, and DeWolf have visited with Landsteiner and NuCara would like the agreement to go away. Landsteiner agreed that the agreement was entered into with the previous owners. The current owners are not interested in a drive through. Mergen stated that there is no formal recommendation from the Public Works Committee, but the Committee strongly suggests moving the access or closing the alley for entrance only again. There was some discussion on traffic flow, access, safety issues, and who would benefit.

Spooner noted that the City would not vacate the Queen Bee's alley unless an agreement was in place to move the north alley access. The City did their part. This was a contingency/requirement before the alley would be vacated.

It was suggested that Eckerly, Mergen, and Landsteiner work out a mutually beneficial agreement.

Thompson recessed the Regular City Council meeting at 6:33 p.m. and opened 2014 Street Improvement Project Final Assessment Public Hearing. Thompson reopened the Regular City Council meeting at 6:43 p.m.

2014 STREET IMPROVEMENT PROJECT

The open house notice, assessment letter, and assessment roll were presented. Resolution 2014 - 09 Accepting the Bid and Resolution 2014 - 10 Adopting Assessment Roll were

presented for consideration. An updated assessment roll was presented showing the deferments.

Motion was made by Beavers to approve Resolution 2014 - 09 Accepting the Bid. Seconded by Mayer and unanimously carried.

Motion was made by Soine to approve Resolution 2014 - 10 Adopting Assessment Roll. Seconded by Beavers and unanimously carried.

SIGN RETROREFLECTIVITY POLICY

The City of Paynesville Sign Retroreflectivity Policy was presented. The Public Works Committee has reviewed this and recommends approval. Mergen explained that the Federal Highway Administration has changed the rules a number of times. The City is required to conduct an inventory within the next 5 years. Currently the City's signs are being replaced during the street projects. The Public Works Committee concurs with replacing the signs during the street projects.

Motion was made by Soine to approve the City of Paynesville Sign Retroreflectivity Policy. Seconded by Mayer and unanimously carried.

HOCKEY ASSOCIATION COMPOST AGREEMENT

The Hockey Association Compost Agreement between the City of Paynesville, Paynesville Township, and River Lakes Hockey Association was presented. The contract was increased by \$500.00 for additional Monday hours in the months of May, June & October. The Environmental Committee has reviewed this and recommends adding additional hours for an additional \$500.00.

Motion was made by Beavers to approve the Hockey Association Compost Agreement between the City of Paynesville, Paynesville Township, and River Lakes Hockey Association. Seconded by Soine and unanimously carried.

VALLEY DAZE PARADE – PARTICIPATION

The Valley Daze Parade participation invitation was presented. The Council decided to not participate in the parade, but was grateful for the invitation.

MPCA FORMER MID TOWN SERVICE STATION

John Hunt, Barr Engineering Co. will attend the April 14, 2014 City Council meeting and give a report.

HIRING PART-TIME POLICE OFFICER/EMERGENCY MANAGEMENT DIRECTOR

Brady Klingfus has had his physical, psychological, and background checks completed. Mr. Klingfus is interested in being the Part-Time Emergency Management Director. He would be employed in a dual roll; Part-Time Police Officer (1040 hours) and Part-Time Emergency Management Director (1040 hours). Currently the Emergency Management budget for staffing

(520 hours) is \$10,894.00 for wages and benefits. The cost for wages and benefits for 1040 hours would be approximately \$17,000.00. The budget would be over by \$6,106.00.

Motion was made by Soine to hire Brady Klingfus at Grade 9, Step 1 (\$18.66 per hour) for 1040 hours per year for the Part-Time Police Office position and at Grade 6, Step 1 (\$15.67) for 1040 hours per year for the Part-Time Emergency Management Director position. Seconded by Mayer and unanimously carried.

HIRING PART-TIME SOCIAL MEDIA SPECIALIST

The City received 6 applications for the Part-Time Social Media Specialist position. The Policies & Procedures Committee interviewed 4 applicants on March 24, 2014. The Part-Time Social Media Specialist will be working 24 hours a week; Monday's noon – 8:00 p.m. and Wednesday's & Friday's 8:00 a.m. – 4:30 p.m.

Motion was made by Beavers to hire JoLyn Lindquist as the Social Media Specialist at Grade 3, Step 1 (\$13.16) per hour. Seconded by Soine and unanimously carried.

HIRING OF BUILDING OFFICIAL

The City received 5 applications for the Building Official position. The Policies & Procedures Committee interviewed 4 applicants on March 24, 2014.

Motion was made by Beavers to hire Jake Depuydt as the Building Official at Grade 12, Step 1 (\$46,215.13) per year. Seconded by Soine and unanimously carried.

FROZEN WATER SERVICE LINE POLICY

The Frozen Water Service Line Policy was presented. The Public Works Committee has reviewed this and recommends approval. Mergen reported there are 32 frozen lines throughout the City. Mergen recommended that residents keep monitoring their water and continue to run their water until notified as the City is still seeing more freeze ups.

Motion was made by Mayer to approve the City of Paynesville Frozen Water Service Line Policy. Seconded by McDaniel and unanimously carried.

INFORMATIONAL

Thompson reviewed the following informational items: Morgan Stanley – Investment Report, Mediacom – Channel Lineup Changes, MN Rural Water Conference Report – Ron Mergen, Standard & Poor's Ratings Services Report, and April & May Meeting Schedules.

There being no further business, the meeting was adjourned at 7:05 p.m.

Renee Eckerly, City Administrator