

**MINUTES
REGULAR CITY COUNCIL MEETING**

APRIL 13, 2015

Mayor Jeff Thompson called the meeting to order at 6:03 p.m. Council members present were Kay McDaniel, Jean Soine, Neil Herzberg, and Donovan Mayer. Others present were Renee Eckerly, City Administrator (6:05 p.m.); Ron Mergen, Public Works Director; Jennifer Welling, Administrative Assistant/Zoning Specialist; Chuck DeWolf, Bolton & Menk, Inc.; Bill Spooner, City Attorney; Ellarry Prentice, Press (6:05 p.m.); JoLyn Lindquist, Social Media Specialist; Bill Ludwig, Liquor Store Manager; Paul Wegner, Police Chief; and Alan Janssen.

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

Ron Mergen, Public Works Director reported on the following:

- Spring Clean Up April 25, 2015
- Scavenger Days April 14-19, 2015
- Wellhead Newsletter is out; rain barrels are for sale and there is funding available for sealing of wells
- Water Festival is May 8, 2015
- Science Museum was here in March
- Compost Site opens on April 18, 2015
- Community Park Shelter construction has started
- Splash Pad fundraising continues
- Park reservations are being accepted
- Airport hangars are full with a waiting list
- Airport fuel purchases have dropped
- Hydrant flushing is scheduled for Wednesday and Thursday
- Street Sweeping is being done

Paul Wegner, Police Chief reported on the following:

- Will be attending training in Nebraska
- Attended a drug presentation
- Attended the Executive Training Institute
- Reminded residents to clean up their yards

CONSENT AGENDA

Motion to approve the minutes from the following meetings: March 23, 2015 Regular City Council, March 12, 2015 Environmental Committee, February 2, 2015 Planning Commission, February 23, 2015 Regular City Council, August 21, 2013 Special Budget & Finance Committee, March 3, 2015 Liquor Board, February 10, 2014 Budget & Finance Committee, March 10, 2014 Budget & Finance Committee, and February 9, 2015 Budget & Finance Committee.

Motion to approve the following vouchers:

3/31/2015	Vouchers	90131-90132	\$466.50
3/19/2015	Payroll	90133-90136	\$3,652.28
3/19/2015	Payroll Taxes	90137-90141	\$1,547.60
3/19/2015	Payroll Direct Deposit		\$16,052.89
3/19/2015	Payroll - Fed		\$5,380.96
3/19/2015	Payroll - State		\$953.45
3/19/2015	Payroll - Blue Cross		\$4,470.87
3/19/2015	Payroll - TASC		\$392.28
3/19/2015	Payroll - PERA		\$5,440.29
3/19/2015	Payroll - AFLAC		\$139.41
3/19/2015	Payroll - SELECT		\$207.70
4/7/2015	Vouchers	90142-90235	\$213,973.34
		TOTAL	\$252,677.57

Motion to approve the refuse licenses for Advanced Disposal Services, Tom Kraemers, Inc., and Bueckers Recycling Services Inc. contingent on receiving current certificates of insurance.

Motion to accept the resignation from Urban Fuchs from the Environmental Committee, effective immediately.

Motion to appoint Jonathan Truwe to the Park & Tree Board, effective immediately.

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

FIRE DEPARTMENT – IRIS PURCHASE

Mergen reported that the Fire Department is interested in purchasing a new IRIS in the amount of \$10,165.50 from Emergency Response Solutions. Funds for this purchase would come from their Small Equipment Fund which has approximately \$121,700.00 in it.

Motion was made by Herzberg to purchase a new IRIS in the amount of \$10,165.50 from Emergency Response Solutions with funds from the Small Equipment Fund. Seconded by Soine and unanimously carried.

DNR REGISTRATION & TITLING ELS AGENT CONTRACT WITH DEPUTY REGISTRARS OF MOTOR VEHICLE OFFICES

Eckerly reviewed the contract between the City of Paynesville and the State of Minnesota, acting through the Department of Natural Resources (DNR). The current Contract will expire on April 30, 2015. The new system, processes, equipment and tools is expected to start on July 8, 2015; however, a number of phases leading up to this will occur between now and July 8, 2015.

Motion was made by Soine to approve the DNR Registration & Titling ELS Agent Contract With Deputy Registrars Of Motor Vehicle Offices between the City of Paynesville and the State of Minnesota, acting through the Department of Natural Resources (DNR). Seconded by Herzberg and unanimously carried.

LIQUOR STORE – MMBA COAT DRIVE & MONETARY DONATION TO THE PAYNESVILLE COMMUNITY SERVICE CENTER

Bill Ludwig, Liquor Store Manager and MMBA Director presented the Paynesville Community Service Center with coat donations and a check from MMBA in the amount of \$200.00.

LIQUOR STORE CLERK - CREATING AN ELIGIBILITY LIST

The Liquor Store may soon be in need of some new staff. Bill Ludwig, Liquor Store Manager is requesting to create an eligibility list now so when a staff member would resign there are approved candidates to come in and start training without any delays. This would avoid any staff shortages during the busy summer months.

Motion was made by Mayer to authorize starting the process to create an eligibility list for the Liquor Store Clerk position. Seconded by McDaniel and unanimously carried.

PUBLIC WORKS DEPARTMENT – PROMOTION & CREATE AN ELIGIBILITY LIST FOR TWO 67 DAY PART-TIME EMPLOYEES

Mergen requested to promote David Schwandt from the seasonal 67 Day Part Time position to Part Time at 1120 hours per year. This position would be Grade 1, Step 1 (\$11.71) on the SAFE Scale in the AFSCME contract 2013-2015. This position is not in the 2015 budget. The estimate cost is \$13,115.20 plus taxes/PERA. This would help cover the time that Brad Mehlhop (\$39,455.67) may be working in the Building Inspector position (\$47,644.46).

Mergen requested to create an eligibility list to replace the two Seasonal 67 Day Part Time employees, since Neil Herzberg resigned and David Schwandt may be promoted. These positions are Grade 1, Step 1 (\$8.78) on the part time SAFE scale. These two positions are in the 2015 budget.

Mergen further requested to hire two more Seasonal 67 Day Part Time employees; possibly high school students (16 years old minimum) to work part time 36 days during the summer to replace the Sentence to Serve crew that Stearns County is now charging \$100.00 for. These positions are Grade 1, Step 1 (\$8.78) on the part time SAFE scale. These two positions are not in the 2015 budget. The estimated cost \$5,057.28 plus taxes.

The Budget & Finance Committee recommended approving the promotion of David Schwandt to 1120 hours per year and start the hiring processes to replace the two 67 day Seasonal employees and hire 2 high school students (16 years or old minimum) to work 3 days a week for 12 weeks at \$8.50 per hour. With these hiring's, the City would no longer utilize the Township to mow at Veterans Park.

Motion was made by Soine to approve the promotion of David Schwandt from Seasonal 67 Day Part Time to Part Time for 1120 hours per year with pay to be Grade 1, Step 1 (\$11.71). Seconded by Herzberg and unanimously carried.

Motion was made by Herzberg to proceed with the process to create an eligibility list for the four Seasonal 67 Day Part Time positions with two to work 36 days during the summer. Seconded by Soine and unanimously carried.

ELECTRONIC PAYMENTS

Eckerly presented the proposal from PSN, will allow people to make electronic payments (checking, savings, or credit card) through the City's website. Costs would be one-time fees totaling \$349.00, annual fee of \$89.00 and monthly fee of \$39.95 plus checking/savings transactions. The ebilling will allow people to be able to see the last 24 months of statements, be able to receive their bill via email, and get notifications of past due status.

The Tyler Technologies costs for the utility payment import and the third party printing interface software is \$7,000.00 with an annual maintenance cost of \$1,875.00.

The money to fund these expenses would come from multiple accounts, but the majority would be water and sewer.

The Budget & Finance Committee recommended approving the proposal from PSN, which would include the one-time implementation fee of \$149.00, the one-time website customization fee of \$200.00, the monthly gateway fee with ebilling of \$39.95, the Security compliance fee of \$89.00 per year, and the Option 2 where the City would pay the fee for savings and checking transactions, but credit card transactions the customer would pay the 2.75%.

The Budget & Finance Committee recommended approving the proposal from Tyler Technologies for the utility payment import and third party printing interface software for a license fee of \$7,000.00 and annual maintenance of \$1,875.00.

Motion was made by Soine to approve the proposal from PSN which would include the one-time implementation fee of \$149.00, the one-time website customization fee of \$200.00, the monthly gateway fee with ebilling of \$39.95, the Security compliance fee of \$89.00 per year, and the Option 2 where the City would pay the fee for savings and checking transactions, but credit card transactions the customer would pay the 2.75% and Tyler Technologies for \$7,000.00 (license fee) and \$1,875.00 annual maintenance to allow the City to be able to accept electronic payments. Seconded by McDaniel and unanimously carried.

NETWORK SERVER UPGRADE

Eckerly presented two proposals one from MARCO and one from Optimum Communications Corporation for the network server upgrade:

MARCO	\$25,529.00
Optimum Communications Corporation	\$18,012.00

The big difference is MARCO's labor of \$10,000.00. The money to fund this expense would come from Capital Improvement Municipal Building. The Budget & Finance Committee recommended approving the proposal from Optimum Communications Corporation for the network server upgrade in the amount of \$18,012.00.

Motion was made by Mayer to approve the proposal from Optimum Communications Corporation in the amount of \$18,012.00 to upgrade the network servers. Seconded by Soine and unanimously carried.

MORTGAGE SATISFACTION - SCHMITZ

Eckerly reviewed the Mortgage Satisfaction between the City of Paynesville and Trever Schmitz and Ember Cherne. The mortgage was for a \$2,500.00 Tri – CAP Home Deferred Payment Agreement & Mortgage from 2008 and all loan requirements have been met.

Motion was made by Soine to approve the Mortgage Satisfaction between the City of Paynesville and Trever Schmitz and Ember Cherne. Seconded by Herzberg and unanimously carried.

WEBSITE UPGRADE

Eckerly presented three proposals for a website upgrade:

Avenet LLC (GovOffice) Plus/Progressive solution	\$2,995.00 per year
CivicPlus Premium Package	\$21,078.00 development & annual fee
8 Bitstudio	\$22,140.00 development & \$79.00 monthly

The money to fund the website is in the EDAP Budget. The amount for the website currently is \$500.00. The Budget & Finance Committee recommended upgrading the website service package with GovOffice to Plus Package for \$2,995.00 per year to allow the streaming on the website and some other updates. This money would come out of the EDAP Budget.

Motion was made by Herzberg to approve the proposal from Avenet LLC (GovOffice) to upgrade the website to allow streaming for \$2,995.00 per year. Seconded by Soine and unanimously carried.

WATER TREATMENT EXPANSION PROJECT

DeWolf reported that the project will be finished in a couple of weeks.

COUNCIL CHAMBERS REMODEL PROJECT

Eckerly reviewed the Application For Payment in the amount of \$3,025.45 for materials (final payment) and \$1,283.05 for labor (final payment); payable to Project One Construction, Inc. A letter was received from Negen explaining their overage (by \$1,093.00) in hourly fees is attached. In addition an invoice from AVS is attached in the amount of \$15,937.00; no discount is being given. The Council would like to see the overage from Negen itemized detailing the overage.

Motion was made by Mayer to approve the Application For Payment in the amount of \$3,025.45 for materials (final payment and \$1,283.05 for labor (final payment); payable to Project One Construction, Inc. Seconded by McDaniel and unanimously carried.

Motion was made by Soine to pay the invoice from AVS in the amount of \$15,937.00. Seconded by Mayer and unanimously carried.

MPCA – FORMER MID-TOWN SERVICE STATION

Eckerly confirmed the hearing scheduled for tomorrow April 14, 2015 in St. Paul.

Mergen reported that the well MPCA wants to install is too close to the electric power and it will only be 4 feet back; therefore, requiring a variance from the Department of Health. This well will not be at grade.

Motion was made by Soine to approve the Department of Health Variance and authorize the Mayor to sign the documents. Seconded by Herzberg and unanimously carried.

NOTICE OF PENDENCY OF PROCEEDING – ROONEY – SMALL CITIES GRANT – SETTLEMENT

Spooner reviewed the settlement letter and check in the amount of \$16,000.00 from First American Title Insurance Company for full release of the lien on the property located at 371 Mill St. W. This was a counter offer made by the City to the \$14,400.00 that was originally offered by First American Title Insurance Company.

Motion was made by Soine to approve the Assignment of Mortgage between the City of Paynesville and First American Title Insurance Corporation and authorize the Mayor and City Administrator to sign the document. Seconded by Mayer and unanimously carried.

COMPOST SITE

At the March 23, 2015 City Council meeting the Council approved waiving the Compost Site key fee of \$200.00 for the ROSE Center for the 2015 Compost Site season; however, it should have been a \$100.00 (non-profit fee). Furthermore, the Environmental Committee made a motion to leave the Compost Site fees as is:

\$10.00	Residential
\$200.00	Commercial

However, it should be:

\$10.00	Residential
\$100.00	Non-Profit
\$200.00	Commercial

(as set in Resolution 2013-38)

Motion was made by Soine to approve waiving the Compost Site key fee of \$100.00 (non-profit fee) for the ROSE Center for the 2015 Compost Site season. Seconded by Herzberg and unanimously carried.

Motion was made by Herzberg to set the Compost Site fees as:

\$10.00	Residential
\$100.00	Non-Profit
\$200.00	Commercial

as set in Resolution 2013-38. Seconded by McDaniel and unanimously carried.

2015 SEALCOAT PROJECT

DeWolf reported that three bids were received for the 2015 Sealcoat Project with the apparent low bid from Caldwell Asphalt Co. Inc. in the amount of \$147,312.60.

Motion was made by Mayer to approve the bid from Caldwell Asphalt Co. Inc. in the amount of \$147,312.60 for the 2015 Sealcoat Project. Seconded by McDaniel and unanimously carried.

INFORMATIONAL

Thompson reviewed the following informational items: March Police Reports, 2014 AIS Boat Inspection Recap, West Central Sanitation March Garbage Report, Morgan Stanley Investment Report, Mediacom Channel Line Up Change Notification, Thank you – Larry Carlson, and March Liquor Store Reports.

Thompson recessed the Regular City Council meeting at 7:05 p.m. and opened the Closed Session to discuss an offer on real property located at Lot 7, Block 2, Project 55 1st Addition; Parcel No. 70.39244.0060.

Thompson closed the Closed Session and re-opened the Regular City Council meeting. Thompson stated that the Council was presented with a proposal to purchase some property. The Council has a number of questions that will need to be answered.

There being no further business, the meeting was adjourned at 8:07 p.m.

Renee Eckerly, City Administrator