

**MINUTES
REGULAR CITY COUNCIL MEETING**

MAY 23, 2012

Mayor Jeff Thompson called the meeting to order at 6:00 p.m. Council members present were Jeff Bertram, Jean Soine, Dennis Zimmerman, and Gene Beavers. Others present were Renee Eckerly, City Administrator; Ron Mergen, Public Works Director; Jennifer Welling, Administrative Assistant; Stephanie Hormann, Cable Coordinator; Chuck DeWolf, Bolton & Menk, Inc.; Bill Spooner, City Attorney; Ellarry Prentice, Press; Gary Rothstein, Central MN Insurance Agency; Darlene Loven, Neil Herzberg, Bill Ludwig, Liquor Store Manager; Kay McDaniel, and Joe Schmitz.

The Pledge of Allegiance was recited.

Zimmerman led the Council in prayer. Council members gave verbal activity reports.

CONSENT AGENDA

Motion to approve the minutes from the following meetings: April 25, 2012 Regular City Council, April 11, 2012 Public Works Committee, March 12, 2012 Paynesville Area Joint Trails Board, March 1, 2012 Special City Council, March 14, 2012 Alley Vacation Behind Queen Bee's Public Hearing, March 14, 2012 Credit Union Variance Public Hearing, March 14, 2012 City Street, Drainage & Utility Vacation Public Hearing For Opportunity Park Public Hearing, March 14, 2012 Regular City Council, and May 9, 2012 Wensmann Variance Public Hearing.

Motion to approve the following vouchers:

5/17/12	#84184-84185	\$ 2,605.70
	#84186-84193	\$ 4,511.15
	#84194	\$ 1,470.27
	#84195-84200	\$ 1,461.31
	+ACH	\$ 6,144.06
5/18/12	#84201-84254	\$162,958.41
Total		\$179,150.90
	Void #84182-84183	
Payroll: 5/17/12	#84178-84181	\$ 3,422.02
	Direct Deposit	\$ 9,515.15
	Direct Deposit	\$ 4,082.67
ACH:	None	

Motion to appoint Joe Schmitz to the Public Safety Committee, effective immediately.

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

CITY INSURANCE – LIABILITY COVERAGE WAIVER

Gary Rothstein, Central MN Insurance Agency was in attendance to review the City's insurance. The Liability Coverage Waiver Form was presented for the City to consider not

waiving the monetary limits on municipal tort liability established by Minnesota Statutes 466.04.

Motion was made by Zimmerman to not waive the monetary limits on municipal tort liability established by Minnesota Statute 466.04 and authorize the Mayor to sign the document. Seconded by Soine and unanimously carried.

STRIP & WAX FLOORS

Bids have been obtained to consider stripping and waxing the floors at the Liquor Store, City Hall/Police Department & Library. The following are the bids received:

Company	City Hall/PD	Liquor Store	Library	Total
Service Master	\$459.00	\$729.00	\$329.00	\$1,517.00
Forkrud Floor Care, Inc.	\$425.00	\$475.00	\$225.00	\$1,125.00
Boldt Janitorial LLC	\$545.06	\$561.09	\$224.44	\$1,330.59

The Liquor Board recommends stripping and waxing the Liquor Store Floor. The Library floors were done in August of 2009 and it's recommended to be done. The City Hall & Police Department floors were done in February of 2011 and it's not recommended to be done.

Motion was made by Bertram to approve the bid for stripping and waxing the floors at Library & Liquor Store in the amount of \$700.00 from Forkrud Floor Care, Inc. Seconded by Zimmerman and unanimously carried.

TIF NO. 1-12 – BRUCE STANG

Documents were reviewed regarding a new TIF District No. 1-12 for Bruce Stang. The Resolution 2012-20 calling for a public hearing regarding the TIF to be set for Wednesday, June 27, 2012 at 6:30 p.m. was presented.

Motion was made by Bertram to approve Resolution 2012-20 Calling for a Public Hearing On The Proposed Establishment Of Tax Increment Financing District No. 1-12 Within Development District No. 1 And The Proposed Adoption Of A Tax Increment Financing Plan Related Thereto. Seconded by Beavers and unanimously carried.

POLICE CHIEF POSITION

The Council discussed appointing a citizen/business owner to the Interview Committee. Thompson suggested Lorie Floura or Donnie Mayer from the school.

Motion was made by Bertram to appoint Lorie Floura to the Police Chief Interview Committee. Seconded by Beavers and unanimously carried.

Eckerly stated that the City has received a number of inquiries on the position, but no applications to date. Eckerly further clarified why the wages didn't match at the last meeting as it is due to additional staff in the budget; not just police officers. Eckerly is also trying to schedule a Policies and Procedures Committee meeting. Eckerly stated

that the Council could determine at their next meeting if they wish to score the applications as they are due on June 8, 2012. The City is not allowed to close the Policies & Procedures Committee meeting due to open meeting laws and names and other data on the applications are private until such time as they are named a finalist.

It was stated that it is prudent to have a scoring system in place before applications are received. It was suggested that two Council members review the applications.

Spooner interjected that the Committee can create the pointing system.

SEALING UN-USED WELLS

The following are quotes for sealing the un-used wells:

Jennings Well Drilling	\$3,970.00	new quote in the amount of \$5,515.00 (due to including the \$65.00 permit fee for each well and 2 wells were not quoted)
Traut Wells	\$6,010.00	

Mergen explained that last year the City received a grant to identify wells and has now received a grant in the amount of \$10,000.00 to seal the wells. A couple wells were not quoted in the figures, but should be \$350.00 and now an additional person has come forward to have their well sealed.

Motion was made by Bertram to approve the quote from Jennings Welling Drilling in the amount up to \$7,000.00 for the sealing of un-used wells. Seconded by Beavers and unanimously carried.

COUNTY ROAD 181 & HWY. 55 INTERSECTION

The Public Works Committee has reviewed this and recommends approval. The funds for this would come from the Street Capital Improvement Fund. The City is seeking a cost share with Paynesville Township and Stearns County to cover the \$12,000.00 in design/engineering fees. Excerpt from the Public Works Committee Meeting Minutes: DeWolf reported that MnDOT has approved the funding for the project this year; however, MnDOT will not cover the design and engineering costs of \$12,000.00. The City's other option is to wait until 2016 or later when MnDOT would do the entire project. Members discussed the project and noted that if it saves one accident it would be worth it.

Motion was made by Hemmesch to pay for the design and engineering costs, proceed with the project this year, and recommend such to the City Council. Seconded by Quade and unanimously carried.

A letter stating that the project was approved for funding through MnDOT was distributed; however, the funding will not cover engineering costs.

Motion was made by Bertram to proceed with the project this year and pay for the design and engineering fees in the amount of \$12,000.00 with a cost share from Paynesville Township and Stearns County. Seconded by Zimmerman and unanimously carried.

WATER PLANT REHAB PROJECT

PFA Loan – A letter to the MN Public Facilities Authorities was presented. Excerpt from the Public Works Committee Meeting Minutes: DeWolf presented the updated costs for the Water Plant Rehab. The schedule to secure the PFA low interest loan money would be to submit a letter in June. In August the City would find out if we are on the qualifying list and after that the City would proceed with design. It was noted that if the City proceeds to design the City would want a detailed budget and any rate increase projections. It was also noted that the City has been budgeting for this and any rate increase would be minimal.

Motion was made by Quade to submit a request to be on the PFA loan eligibility list and recommend such to the City Council. Seconded by Hemmesch and unanimously carried.

DeWolf and Mergen discussed the project that is estimated at \$3.1 million to include filters, a clear well, back flush system, and new controls. By updating this the City would recapture 90% of the backwash. The City has been setting aside money for this project; therefore, there will only be minor rates increases.

Former Midtown Service Station – Estimated Costs for the Water Treatment Facility with an add-on of a Hydrocarbon Treatment (Air Stripping System with pH adjustments) for \$1,250,000.00 were presented. Excerpt from the Public Works Committee Meeting Minutes: Members were briefed on the status of the Midtown gas clean up. MPCA plans to install another 19 monitoring wells and keep on monitoring. Excavation is not in MPCA plans. The City is proposing to add an air stripping tower along with the Water Plant Rehab. The cost is \$1.25 million and would have to be picked up by MPCA. This would give the City a sense of security to know the water could be treated and the water from Well 4 could be utilized again.

After a short discussion,

Motion was made by Hemmesch to research air stripper and recommend such to the City Council. Seconded by Quade and unanimously carried.

Mergen reported the he had met with MN Rural Water and the Department of Health to discuss a method on treating the water at a cost of \$1,250,000.00. The Department of Health thinks this is a good idea and would give the City a sense of security as MPCA is not planning on excavating. A letter will be drafted to MPCA regarding this option and to pay the fees for such. The City will also obtain letters of support from other agencies for this type of treatment.

Motion was made by Zimmerman to approve the letter to the MN Public Facilities Authorities and authorize the City Administrator to sign it. Seconded by Beavers and unanimously carried.

AIRPORT

Slurry Seal –Payment Estimate No. 1 in the amount of \$24,142.07; payable to Struck & Irwin Paving, Inc. for work completed through April 25, 2012 was presented. DeWolf stated that this project was bid last year. Crack sealing was completed last month and the slurry seal should be completed tomorrow.

Approach Lighting Improvements – Three bids were received and opened on May 16, 2012 with the apparent low bid from Electrical Systems, Inc. of Brainerd, MN in the amount of \$147,700.00. The engineer's estimate was \$160,000.00. The estimated City's cost will be \$14,770.00 as the rest will be covered by grant monies.

Motion was made by Zimmerman to approve Payment Estimate No. 1 in the amount of \$24,142.07; payable to Struck & Irwin Paving, Inc. Seconded by Soine and unanimously carried.

Motion was made by Beavers to approve the contract with Electrical Systems, Inc. of Brainerd, MN in the amount of \$147,700.00 for the installation of PAPI and REIL lighting systems contingent upon FAA Grant approval. Seconded by Soine and unanimously carried.

HWY. 23

DeWolf reported the following:

- Project continues to move forward
- Concrete work is done
- Working on the west end
- Pavers moving in next week

Eckerly reported that the Governor would like to be involved in the ribbon cutting and a day in July is being planned.

OPPORTUNITY PARK

Financing options for the infrastructure were discussed. Eckerly was seeking direction from the Council on these options; the Rural Water option is the cheapest.

It was stated that it would be wise to use the reserves and pay it back with the sale of the land; why borrow the money when the City has the money.

Motion was made by Soine to use the undesignated reserves to pay for the project and then pay it back with the sale of the land. Seconded by Bertram.

It was questioned if the City pays itself interest.

The motion was amended by Soine to use the undesignated reserves to pay for the project and then pay it back with the sale of the land plus interest at the rate of 2%. Seconded by Bertram and unanimously carried.

DeWolf estimated the project to begin mid June.

TRAIL

The Trail Board has reviewed the plans and specifications and recommended approving plans and specifications and authorizes advertisement for bids. Excerpt from the Trail Board meeting minutes: DeWolf reviewed the plans for Phase 7 that call for an 8 foot trail with a 4 to 6 foot boulevard area and a total road bed of 24 foot. The plans all have been submitted to the MnDOT Central Office and the plans have gone back and forth several times. Other points made included:

- All the easements are complete except one.
- Most people along the roadway are concerned and would like a drawing or hand out. DeWolf will draft a drawing to be utilized as a hand out.
- The slopes on the existing road will be improved.
- Stearns County will want a maintenance agreement on the road.
- Stearns County is not requiring a formal agreement.

Motion was made by Wiese to approve the plans and specifications and authorize advertisement for bids and recommend such to the City Council and Paynesville Township. Seconded by Bertram and unanimously carried.

DeWolf reported the staff has been working on phase 7 for several months. DeWolf distributed a layout of this section and stated that this may be the most difficult segment of the trail. The plans are in the Central Office for final approval. DeWolf hopes to bid the project in June and to be completed by September.

Motion was made by Bertram to approve the Plans & Specifications and authorize advertisement for bids. Seconded by Zimmerman and unanimously carried.

INFORMATIONAL

Thompson reviewed the following informational items: April Police Reports, Notice of Pay Equity Compliance, Stearns County Board of Adjustment Notice, Conference/Training Report Spreadsheet, Rinke Noonan Legal Bills Report, and West Central Sanitation May Garbage Rates.

The large amount of overtime for the Police Officers was questioned. Eckerly stated that Lieutenant Dickhaus will report on this in his next Council report.

There being no further business, the meeting was adjourned at 6:37 p.m.

Renee Eckerly, City Administrator