

**MINUTES
SPECIAL CITY COUNCIL MEETING**

JUNE 10, 2013

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; Chuck DeWolf, Bolton & Menk, Inc.; Ellarry Prentice, Press; Gary Rothstein, Central MN Insurance Agency; and Dick Johnson, Koronis Lake Association.

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

Ron Mergen, Public Works Director reported on the following:

- Splash pad
- Community Park tire swing
- Park reservations
- Life guards
- Compost site
- Water festival
- Tours of wastewater plant
- Airport Fly In is August 11, 2013
- All hangars are rented
- Street sweeping
- Seal coat project
- Town & Country Days

CONSENT AGENDA

Motion to approve the minutes from the following meetings: March 19, 2013 EDAP Board, April 24, 2013 Airport Commission, May 14, 2013 Policies & Procedures Committee, and May 7, 2013 Liquor Board.

Motion to approve the following vouchers:

05/24/2013	Voucher	86257	\$500.00
05/30/2013	Payroll	86258-86262	\$3,953.19
05/30/2013	Payroll Direct Deposit		\$14,646.99
05/30/2013	Payroll	86263-86266	\$1,010.80
05/30/2013	Payroll - Fed		\$5,075.49
05/30/2013	Payroll - State		\$951.65
05/30/2013	Payroll - ING		\$275.00
05/30/2013	Payroll - TASC		\$446.13
05/30/2013	Payroll - PERA		\$4,235.87
06/05/2013	Vouchers	86267-86355	\$160,217.98
		TOTAL	\$191,313.10

Motion to approve the attendance of Ron Mergen to the MWOA 37th Annual Conference July 24-26, 2013 in Grand Rapids, MN.

Motion to approve step increases for James Gulbranson, Police Officer, Police Labor contract scale Step 3 - (\$17.75) to Step 4 - (\$18.95) retro to 6/3/13, Kayla Loesch, Liquor Store Clerk, Grade 1, Step 1 (\$8.15) to Grade 1, Step 2 (\$8.33) retro to 5/10/13 (Non-Union Grade Scale), Deanne Nolen, Liquor Store Clerk, Grade 1, Step 3 (\$8.52) to Grade 1, Step 4 (\$8.73)

retro to 4/7/13 (Non-Union Grade Scale), Brad Mehlhop, Maintenance Work Intermediate, Grade 5 Step 4 (\$15.13) to Grade 5, Step 5 (\$16.09) retro to 5/29/13 and recommend such to the City Council.

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

INSURANCE – LIABILITY COVERAGE WAIVER

Gary Rothstein, Central MN Insurance Agency was in attendance to review the City's insurance. The Liability Coverage Waiver Form for the City to consider not waiving the monetary limits on municipal tort liability established by Minnesota Statutes 466.04 was presented. Rothstein reviewed the liability coverage of \$1.5 million dollars.

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

IRRIGATION – FIELD NET SUBSCRIPTION PRICING

The subscription pricing for the Field Net program was presented; 1 Year - \$3,250.00 and 3 Years - \$8,190.00. The program saves 220 hours, 2,500 miles on vehicles annually, and evening hours; equaling over \$5,000.00 dollars. This is an internet based program to run the irrigation system.

Motion was made by Beavers to approve a 1 year subscription to Field Net. Seconded by Soine and unanimously carried.

AIRPORT FLY IN – AIR HYSTERIA, INC. PERFORMANCE

The Performance Agreement between the City of Paynesville and Air Hysteria, Inc., Robert Ator to perform two air shows on August 11, 2013 in the amount of \$1,000.00 was presented. The Commission is working on the Fly In and looking for a show that is reasonably priced. This performer is from Granite Falls, MN. The Commission has reviewed this and recommends approval. The Friends of the Airport has money to cover this air show. Spooner questioned the amount of insurance the performer has; it would be nice if the performer was insured for \$1.5 million dollars.

Motion was made by Beavers to approve the Performance Agreement between the City of Paynesville and Air Hysteria, Inc., Robert Ator to perform two air shows on August 11, 2013 in the amount of \$1,000.00. Seconded by Soine and unanimously carried.

VARIANCE REQUEST – LINDEMAN

A Variance Application submitted by Ray and Mary Lou Lindeman for the property located at 508 Maple St. was reviewed. The Lindeman's are adding onto their existing attached garage. The existing garage is non-conforming as it does not meet the side set back of 5' from the overhang. They wish to add onto the rear of their existing garage for a woodworking shop.

The new addition will need a 1.33' side variance. The addition will meet all other zoning regulations. The Planning Commission has reviewed this and recommends approval.

Motion was made by Beavers to set the Lindeman Variance Public Hearing for Wednesday, July 10, 2013 at 6:30 p.m. Seconded by Mayer and unanimously carried.

EDAP LOAN – SWEET NOOK BAKERY

Marilyn Blonigen, dba Sweet Nook Bakery met with the EDAP Board and requested \$27,000.00 for renovation to the new location for the bakery at 117 Augusta Ave. The Board approved a motion for a \$15,000.00 loan at 3.50% interest for 5 years and to hold collateral on the equipment. The EDAP Board approved the \$15,000.00 due to the program being gap financing.

Motion was made by Soine to approve an EDAP revolving loan in the amount of \$15,000.00 at 3.50% interest for 5 years and hold the equipment as collateral. Seconded by Mayer and unanimously carried (McDaniel abstained).

LIQUOR STORE - COOLER

The current wine cooler was moved from the previous store; however, the cooler has now quit working. A quote from Pelkey Refrigeration, Heating & A/C in the amount of \$3,200.00 was presented. The Liquor Board has reviewed this and recommends approval with funds to be taken from Liquor Store Capital Improvement.

Motion was made by Mayer to approve the purchase of a new 2-door cooler with the trade in of the old cooler in the amount of \$3,200.00 plus sales tax from Pelkey Refrigeration. Seconded by Soine and unanimously carried.

WATER TREATMENT PLANT REHAB PROJECT

DeWolf reviewed the report. Eckerly stated that the 60 Day Rule for the Variance expires July 1, 2013.

Motion was made by Mayer to authorize Eckerly to sign and file the appropriate letter extending the 60 day rule. Seconded by Soine and unanimously carried. Passed.

WASTEWATER TREATMENT FACILITY RE-SCOPING PROJECT

DeWolf reported that the contractor continues to work on all phases of the project including the irrigation pump house.

Application For Payment No. 8 in the amount of \$643,590.79; payable to Magney Construction, Inc. for work completed through May 31, 2013 was presented.

Motion was made by Soine to approve Application For Payment No. 8 in the amount of \$643,590.79; payable to Magney Construction, Inc. Seconded by McDaniel and unanimously carried.

MPCA FORMER MID TOWN SERVICE STATION

Mergen reported the following:

- Received a call from MPCA
- MPCA is holding a meeting with their staff
- MPCA does not plan on meeting with the City until the wells are in and MPCA sees results

It was stated, if there is no issue why are these stacks all over town to show that the community is contaminated

AQUATIC INVASIVE SPECIES

The Agreement Spooner drafted was presented. Eckerly reported the following:

- Talked to Josh Reed with Watershed District
- The District has hired another part-time person to staff the Veterans Park landing 20 hours per week, for a 13 week period
- Program is working well
- Next year hours could be increased

Dick Johnson, AIS Sub-Committee thanked the Council for their support. Koronis Lake Association (KLA) is currently staffing for 20 weeks for 24 hours per week. If had funding and man power KLA would staff 40 hours a week; as the bottom line is to protect the lake. KLA is trying to do the best job they can with the resources they have. Working with the Watershed is the City's best bang for the buck, but not enough hours due to funding and the hiring process. The Watershed provides more training and is an extension of DNR; can't write a ticket, but can refuse a launch. Water Guards can inspect, and tell them not to launch, but they have no authority. There is 13 weeks of regular inspections for the season with approximately 20 hours per week scheduled at the City Park Access. The District inspectors are paid \$10/hour. The estimate for inspections at the City Park for the season is \$2,600.00. Paynesville Township has contributed \$6,000.00 to this effort. There was some discussion on funding KLA's efforts this year and next year.

**Motion was made by Beavers to approve the Agreement with Watershed District.
Seconded by Mayer and unanimously carried.**

TH 55/LAKE AVE. INTERSECTION

DeWolf reported that the project started today with cutting. This will be a quick, 2 week project.

OPPORTUNITY PARK SECOND ADDITION – PRELIMINARY PLAT

A Preliminary Plat Application submitted by the City of Paynesville to plat the Outlot A of Opportunity Park into 5 lots zoned C-2 Hwy Commercial was presented. The Plat has been submitted to Stearns County for their approval. The Planning Commission has reviewed this, held a public hearing, and recommends approval.

Motion was made by Soine to approve Resolution 2013-14 Approving The Preliminary Plat Of Opportunity Park Second Addition. Seconded by Mayer and unanimously carried.

ALLEY VACATION – FREIBERG

Eckerly reported the following:

- Received two calls from DNR
- DNR will look at the site and make a recommendation
- DNR's blanket statement is to deny the vacation
- DNR does not want any public land removed to private land
- Want all 60 days for the City to figure it out
- Today talked to DNR in St. Paul, Land and Minerals Department on how to get the letter sooner than the 60 days
- Letter was drafted today by DNR and will be in the mail and should be received by end of week
- The earliest the Public Hearing could be held would be July 1, 2013.

There was some discussion on waiving the 60 days as the DNR will deny it anyway. It was questioned what will be gained by moving the public hearing up. Spooner stated that the City can't have the public hearing until the 60 days are up.

The City has not yet received a written response from DNR. The public hearing on the vacation has been set for Wednesday, July 24, 2013 at 6:30 p.m.

Motion was made by Beavers to set Alley Vacation Public Hearing for Monday, July 1, 2013 at 6:00 p.m. upon the receipt of all documents. Seconded by Soine and unanimously carried.

INFORMATIONAL

Thompson reviewed the following informational items: April Liquor Revenue & Expenses, Incode Financial Reports, City Attorney Report, and Capital Improvement Breakdown Report (emailed to Council) a copy can also be obtained from the City's website. Paynesville Area Health Care Center Letter, Library Report, Spring Clean Up Report, May Police Report, 2012 Consumer Confidence Report, Meeker County Zoning Administrator Public Hearing Notice On Conditional Use Permit, and May Liquor Store Reports.

There being no further business, the meeting was adjourned at 7:10 p.m.

Renee Eckerly, City Administrator