

MINUTES CITY COUNCIL MEETING

OCTOBER 13, 2014

Mayor Jeff Thompson called the meeting to order at 6:00 p.m. Council members present were Kay McDaniel, Donavan Mayer, Jean Soine, and Gene Beavers. Others present were Renee Eckerly, City Administrator; Ron Mergen, Public Works Director; Jennifer Welling, Administrative Assistant/Zoning Specialist; Bill Spooner, City Attorney; Chuck DeWolf, Bolton & Menk, Inc.; Ellarry Prentice, Press; JoLyn Lindquist, Social Media Specialist; Neil Herzberg, and Stan Yarmon.

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

Ron Mergen, Public Works Director reported on the following:

- Demolition at 417 Minnie Street has started and will be done by the end of the week
- 800 MHz project is complete and operational
- Compost fall hours
- Curbside leaf pickup is November 1
- Park & Tree Board is looking into a Skate Park
- Disk Golf – Park & Tree Board recommended the Regional Park as a location for such
- Dog Park – information will be sent to dog owners to seek interest
- The pad and sidewalk for the splash pad at Gazebo Park is on hold for now
- The shelter at the Community Park will be started soon
- Airport Hangars are full
- Attended a MnDOT CIP meeting
- Irrigation is complete for the year
- MPCA is no longer interested in the location that was addressed at the last meeting

Police Chief, Paul Wegner reported on the following:

- The 800 MHz tower is up and coverage is significantly better
- Officer Klingfus responded to an emergency and performed life saving measures, both the patient and business appreciated Klingfus' professionalism and demeanor
- Winter parking regulations
- Reminded residents to clean up properties before winter
- Picked up a stray kitten today and it can be claimed at the Veterinary Clinic
- The fly-over at the football game is being addressed

CONSENT AGENDA

Motion to approve the minutes from the following meeting: July 16, 2014 Special Ad Hoc Enhancement Committee, April 1, 2014 Ad Hoc Council Chambers Design Committee, April 22, 2014 Ad Hoc Council Chambers Design Committee, July 10, 2014 Special Park & Tree Board, April 8, 2014 Policies & Procedures Committee, October 1, 2014 Ad Hoc Council Chambers Design Committee, September 15, 2014 Special Planning Commission, April 3, 2014 Park & Tree Board, September 8, 2014 City Council, August 11, 2014 City Council, and August 11, 2014 Stang Lot Split Public Hearing.

Motion to approve the following vouchers:

10/02/2014	Payroll Checks	89139-89143	\$4,752.68
10/02/2014	Payroll Taxes	89144-89148	\$6,290.19
10/02/2014	Payroll Direct Deposit		\$15,709.62
10/02/2014	Payroll - Fed		\$5,590.49
10/02/2014	Payroll - State		\$1013.44
10/02/2014	Payroll - PERA		\$5117.85
10/02/2014	Payroll - ING		\$275.00
10/02/2014	Payroll - TASC		\$451.13
10/02/2014	Select - Health Saving Acct		\$453.85
10/02/2014	Payroll - AFLAC		\$139.41
10/06/2014	Vouchers	89151-89235	\$117,888.23
		TOTAL	\$157,681.89

Motion to approve the attendance of Ron Mergen to the MN Section AWWA Central District – 33rd Annual Water Operators Training on Wednesday, October 22, 2014 in Collegeville, MN

Motion to approve the attendance of Jennifer Welling to the Practical Guide To Variances In Shorelands & Floodplains Workshop on Wednesday, October 29, 2014.

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

TAX ABATEMENT – YARMON FORD

A written request from Stan Yarmon, Yarmon Ford for a 10 year tax abatement of property taxes for his \$1.2 million dollar building project was reviewed. Yarmon explained the project and the new Ford look. There is a formal procedure to follow if the City is interested in tax abatement. The Contractor plans to break ground on the project on October 20, 2014. Yarmon was not expecting a decision tonight, but wanted to present it to the Council.

The Council would like some research done on how tax abatement would work. The following questions were raised:

- Can a tax abatement be done after the project is started
- Can the project start without the tax abatement project started

The Council wants to see more information on this and suggested the EDAP Board review this.

REPAYMENT OF LOANS TO AIRPORT CAPITAL IMPROVEMENT AND GENERAL FUND

In 2012 there was a loan made from 125 Airport Capital Improvement Fund to 455 Airport Fund for \$75,000.00 to be repaid when grant money is received. In 2013 there was a loan made from 100 General Fund to 455 Airport Fund for \$15,000.00 to be repaid when grant money is received. In 2013 there was a loan made from 100 General Fund to 125 Airport Capital Improvement Fund for \$1,000.00 to be repaid when grant money is received. In 2014 there was a loan made from 100 General Fund to 125 Airport Capital Improvement Fund for \$100,000.00 for the fuel pump and beacon to be repaid when grant money is received. It was

then decided to put the expenses in Fund 455 for the fuel pump and beacon to better track them therefore the loan to 125 is not needed.

Motion was made by Soine to repay the loans for \$75,000.00 from 125 Airport Capital Improvement Fund to 455 Airport Fund, \$15,000.00 from 100 General Fund to 455 Airport Fund, \$1,000.00 from 100 General Fund to 125 Airport Capital Improvement Fund, and \$100,000.00 from 100 General Fund to Fund 125 Airport Capital Improvement. Seconded by Mayer and unanimously carried.

REPAYMENT OF LOAN TO TIF 1-11

In 2012 there was a loan made from Fund 220 EDAP to Fund 272 TIF 1-11 for \$440.00 to be repaid when tax increments are allotted.

Motion was made by Beavers to repay the loan for \$440.00 from Fund 220 EDAP to Fund 272 TIF 1-11. Seconded by Soine and unanimously carried.

TRANSFER OF FUNDS FOR TIF 1-15 EXPENSES

There has been a bill received on the setup of TIF 1-15. The TIF district will not receive tax increments until 2015 and in order to avoid negative interest it is recommended to loan \$500.00 from EDAP fund 220 to TIF 1-15 fund 276 to be repaid when tax increments are allotted.

Motion was made by Soine to loan \$500.00 from the EDAP fund 220 to TIF 1-15 fund 276. Seconded by Beavers and unanimously carried.

WELLS FARGO DONATION

An email from Wells Fargo regarding a property donation available at 216 Railroad St., Paynesville, MN was presented. Eckerly explained that Wells Fargo would like to donate the foreclosed property at 216 Richmond St. to the City or non-profit. Wells Fargo would pay all the associated expenses. This is a small, odd shaped lot. Serenity Path is looking for a transition home. Eckerly suggested that Wells Fargo donate the property to Serenity Path and not the City.

MORTGAGE SATISFACTION – KAYLA FLANDERS

Kayla Flanders has satisfied the mortgage that was received through Stearns County HRA – City of Paynesville's Small Cities Development Rehabilitation Program.

Motion was made by Mayer to approve the Small Cities Development Rehabilitation Program Mortgage Satisfaction for Kayla Flanders. Seconded by McDaniel and unanimously carried.

STREET LIGHTING FEES

The Budget & Finance recommends increasing the street lighting fees from \$3.00 per quarter to \$4.00 per quarter, not to exceed \$16.00 per year effective January 1, 2015. Resolution

2014-30 Fixing Fees Under Chapter 3 Of Ordinance No. 1, 2nd Series – Street Lighting was presented for consideration. It was reported that the fees collected do not cover even half the costs.

Motion was made by Soine to approve Resolution 2014-30 Fixing Fees Under Chapter 3 Of Ordinance No. 1, 2nd Series – Street Lighting. Seconded by McDaniel.

It was questioned why the fee was instituted? It was stated that the City is responsible for the fees associated with street lighting. Eckerly stated that the City researched a franchise fee through Xcel Energy to help offset the costs, but due Xcel's administration costs the City wouldn't receive much money; therefore, the City went to this way of charging instead. This fee is attached to all who pay a water bill.

The motion unanimously passed.

VETERANS PARK SHELTER CANCELLATION POLICY

The Park & Tree Board recommends changing the cancellation policy from "if the cancellation is less than three (3) months in advance of the rental date the rental fee, tax, and deposit will not be reimbursed" to "if the cancellation is less than three (3) months in advance of the rental date ONLY the deposit will be reimbursed".

Motion was made by Soine to change the Veterans Park Shelter Cancellation Policy to state "if the cancellation is less than three (3) months in advance of the rental date ONLY the deposit will be reimbursed." Seconded by McDaniel and unanimously carried.

WELLHEAD SOURCE WATER PROTECTION GRANT

The Source Water Protection Plan Implementation Grant Application that the City submitted was presented. Mergen reported that this grant would help with:

- The well abandonment/sealing of wells program
- Water Festival
- Storage tank inventory
- Public education information

SIGN VARIANCE – RSBR INVESTMENTS, LLC

A Sign Variance Application submitted by RSBR Investments, LLC was presented. They wish to construct a pylon sign at 950 Business 23 W for a retail business; however, they do not meet the 30' setback from the intersection of Business 23 W and Cedar St. The applicant is requesting a 15' variance off of Cedar St. right of way and an 8' variance off of Business 23 W right of way. The Planning Commission has reviewed this and recommends approval.

Furthermore, the original application and applicable fee was received on September 11, 2014; however, they did not have the right owner of record on the application nor did they include a legal description. It wasn't until October 2, 2014 that the applicant submitted the requested information; therefore, the need for an extension as the City will not have the variance

processed within 60 days from the original date of the application. The Planning Commission has acknowledged the extension letter.

Motion was made by Soine to set the Sign Variance Public Hearing for Monday, November 10, 2014 at 6:30 p.m. Seconded by Beavers and unanimously carried.

Motion was made by Mayer to acknowledge the letter from The Overland Group allowing the City of Paynesville until December 1, 2014 to process the Sign Variance application. Seconded by McDaniel and unanimously carried.

CITY EMERGENCY ACTION PLAN

The City Emergency Action Plan was emailed out to the Council members. The Safety Committee has revised the plan and recommends approval. Mergen commented that the Plan is for fire, tornado, bomb threats, and active shooter. The Plan provides accountability and protocol.

Motion was made by Soine to approve the City Emergency Action Plan. Seconded by Beavers and unanimously carried.

COUNCIL CHAMBERS REMODEL PROPOSALS

The following proposals were presented from:

All State Communications	Cabling & installation	\$2,837.00
AV Solutions	Camera equipment & installation	\$15,937.00
Negen Associates	Architect design, construction documents, bidding, negotiation, and construction administration	\$7,660.00

The Ad Hoc Council Chambers Design Committee has reviewed the proposals from All State Communications and AV Solutions and recommends approval. The architect's proposal was not available at the Committee meeting. The project was discussed.

Motion was made by Beavers to proceed with Council Chambers remodel and approve the proposals from All State Communications in the amount of \$2,837.00, AV Solutions in the amount of \$15,937.00, and Negen Associates in the amount of \$7,660.00. Seconded by Soine and unanimously carried.

PERFORMANCE APPRAISAL – CITY ADMINISTRATOR

It has been suggested that the Council discuss setting a Closed Session to conduct the City Administrator's Performance Appraisal. It was consented to hold a Closed Session on October 27, 2014. All Council appraisals need to be returned to Beavers by Friday, October 24, 2014.

2014 STREET IMPROVEMENT PROJECT

DeWolf reported that the alley improvements have started. The County is working on striping and signage.

WATER TREATMENT PLANT EXPANSION PROJECT

DeWolf reported that the filter work has started and the clear well is complete. The Water Treatment Expansion Project Payment Estimate No. 9 in the amount of \$105,602.90; payable to Magney Construction, Inc. for work completed through September 30, 2014 was presented.

Motion was made by Beavers to approve Payment Estimate No. 9 in the amount of \$105,602.90; payable to Magney Construction, Inc. Seconded by Soine and unanimously carried.

INFORMATIONAL

Thompson reviewed the following informational items: The 800 MHz Radio System is now online. September Police Reports and Morgan Stanley Investment Report.

There being no further business, the meeting was adjourned at 6:55 p.m.

Renee Eckerly, City Administrator