

**MINUTES  
REGULAR CITY COUNCIL MEETING**

**OCTOBER 23, 2013**

Mayor Jeff Thompson called the meeting to order at 6:00 p.m. Council members present were Jean Soine, Kay McDaniel, Donavan Mayer, 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.; Amber Young, Social Media Specialist; Ellarry Prentice, Press; Neil Herzberg, Doris Wendlandt, Kevin Wall, Leo Louis, Lance Louis, Tom Kotten, Roberta Kotten, Louis Baas, and Don Williamson, West Central Sanitation.

The Pledge of Allegiance was recited.

Council members gave verbal activity reports. Thompson announced that item A under New Business – Airport – Fuel System is being pulled from the agenda.

**CONSENT AGENDA**

Motion to approve the minutes from the following meeting: April 3, 2013 Cable Committee, February 14, 2011 Airport Zoning Board, September 11, 2013 Public Works Committee, and September 10, 2013 Special EDAP Board.

Motion to approve the following vouchers:

10/14/2013	Vouchers	87064	\$5,390.81
10/16/2013	Payroll	87065-87069	\$3,819.24
	Payroll Direct		
10/16/2013	Deposit		\$15,087.55
10/16/2013	Payroll Taxes	87070-87077	\$5,401.62
10/16/2013	Payroll - Fed		\$5,267.43
10/16/2013	Payroll - State		\$925.67
10/16/2013	Payroll - ING		\$275.00
10/16/2013	Payroll - TASC		\$446.13
10/16/2013	Payroll - PERA		\$4,352.21
10/16/2013	Payroll - AFLAC		\$124.46
10/17/2013	Vouchers	87078-87129	\$163,673.34
	TOTAL		\$204,763.46

Motion to approve the list of Election Judges Janice Zumwalde (Head Judge), Carolyn Swyter, Renee Eckerly, Mark Pelz, Lydia Desm, Allen Anderson for the Special Primary Election on November 19, 2013 & Special General Election January 28, 2014.

Motion to give authority to Renee Eckerly, City Administrator to appoint judges in case of an emergency.

Motion to accept the resignation from Phil Bailey from the Airport Commission and Airport Zoning Board, effective immediately.

Item E under the Consent Agenda Inspectron, Inc. - Payments was pulled and put under Old Business.

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

### **WATER TREATMENT PLANT REHAB PROJECT**

DeWolf reported that the project has been certified by the Department of Health, the City will be receiving project contracts for signatures in the near future, and the PFA Loan has been approved at an interest rate of 1%. The loan amortization schedule was presented. The City is required to notify the PFA if accepting or denying the 1% to get the process going. A letter from the Minnesota Department of Health notifying the City of their pre-loan approval was also presented

**Motion was made by Soine to accept the 1% for the PFA loan. Seconded by Mayer and unanimously carried.**

### **WASTEWATER TREATMENT FACILITY RE-SCOPING PROJECT**

DeWolf reported that site restoration and landscaping continues as the contractor pushes toward completion.

### **INSPECTRON INC. - PAYMENT**

Eckerly explained the correspondence back and forth from Inspectron regarding the charges incurred discrepancies, and the reasoning behind not paying the full bills. To date there is a discrepancy of \$2,168.75 that Eckerly is trying to get resolved. Eckerly further reported that Gary Utsch has agreed to testify on the Schmitz property.

It was questioned why the City is paying Inspectron and not getting all the services the City is contracted for. It was stated that the City has received the services that are being paid for. Eckerly assured the Council that there have been no complaints with Utsch the building inspector and that this has been more of an administrative issue.

Thompson recessed the Regular City Council meeting at 6:15 p.m. and opened the Louis Industry Business Subsidy Public Hearing.

Thompson re-opened the Regular City Council meeting at 6:22 p.m.

### **INSPECTRON INC. – PAYMENT CONTINUED**

**Motion was made by Soine to approve the payment to Inspectron Inc in the amount of \$21,560.70 for invoices from September 2012 through September 2013 for Building Inspection services. Seconded by Mayer and unanimously carried.**

## **BUSINESS SUBSIDY/MIF – LOUIS INDUSTRIES**

The Economic Development Loan Agreement/Business Subsidy Agreement, Security Agreement, UCC Financing Statement, Guarantee of Payment, Intercreditor Agreement, and Local Government Resolution 2013-25 Economic Development Program were presented for consideration. The EDAP Board has reviewed this and recommends approval. Louis Industries will have to pay a minimum of \$10.25 cash and have a total wage (including benefits) of \$12.45 per hours. They did indicate that they will be paying a hiring/training wage of \$9.50 for a short period, but it was clarified that the amount has to go up before the jobs would be counted. A letter from Positively Minnesota was also presented stating that Louis Industries has been awarded \$80,000.00 in the MIF assistance.

**Motion was made by Soine to approve an EDAP loan in the amount of \$300,000.00 to Louis Industries, Inc. to be a 50:50 split with Paynesville Township for 7 years at 3.5% interest with quarterly payments. Seconded by Beavers and unanimously carried.**

It was questioned how much money remains in the EDAP Revolving Loan Fund. Eckerly stated \$200,000.00 of which only 50% can be loaned out. It was further questioned if the \$300,000.00 loan to Louis Industries is gap financing. Eckerly said yes.

**Motion was made by Mayer to approve the Minnesota Investment Fund loan for \$80,000.00 for the same term as the EDAP Loan with \$20,000.00 which may be forgivable if criteria is met of 5 new employees with a minimum of \$10.25 cash and have a total wage (including benefits) of \$12.45 per hour. Seconded by Beavers and unanimously carried.**

## **INFORMATIONAL**

Thompson reviewed the following informational item: December & November Meeting Schedules.

Thompson recessed the Regular City Council meeting at 6:26 p.m.

Thompson Re-opened the Regular City Council meeting at 6:30 p.m. and then recessed the Regular City Council meeting for the Certification of Past Due Garbage, Water & Sewer, and Mowing Bills Public Hearing.

Thompson re-opened the Regular City Council meeting at 7:10 p.m.

## **VARIANCE REQUEST - KOTTEN**

**Motion was made by Beavers to approve the Grant of Variance for Tom & Roberta Kotten. Seconded by Soine and unanimously carried.**

Thompson recessed the Regular City Council meeting at 7:12 p.m. to re-open the Certification of Past Due Garbage, Water & Sewer, and Mowing Bill Public Hearing.

Thompson re-opened the Regular City Council meeting at 7:22 p.m.

## **CERTIFICATION OF PAST-DUE GARBAGE, WATER & SEWER, AND MOWING BILLS**

An updated list of people with delinquent refuse, water & sewer, snow, & mowing accounts to be certified to the County Auditor to be put on real estate taxes was presented.

**Motion was made by Beavers to certify the delinquent refuse, water & sewer, and mowing accounts to the County Auditor to be put on the real estate taxes with one change on account number 6561100, Jamie Wendlandt at 757 Maple St. to be reduced from \$386.85 to \$198.00 with no 10% increase. Seconded by Soine and unanimously carried.**

There being no further business, the meeting was adjourned at 7:23 p.m.

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Renee Eckerly, City Administrator