

**MINUTES
REGULAR CITY COUNCIL MEETING**

NOVEMBER 23, 2015

Mayor Jeff Thompson called the meeting to order at 6:00 p.m. Council members present were Kay McDaniel, Jean Soine, Neil Herzberg, and Donovan Mayer. Others present were Renee Eckerly, City Administrator; Ron Mergen, Public Works Director; Jennifer Welling, Administrative Assistant/Zoning Specialist; Chuck DeWolf, Bolton & Menk, Inc.; Bill Spooner, City Attorney (6:01 p.m.); Ellarry Prentice, Press; JoLyn Lindquist, Social Media Specialist; Bill Ludwig, Liquor Store Manager; Brady Klingfus, Police Officer; Belinda Ludwig, Finance Specialist; Doug Green, Springsted; Duane Olmscheid, Gretchen O'Fallon, Bob Huot, Bruce Stang, Chris Stanley, Brad Skoglund, Mark Dingmann, Patricia Barnes, Terrance Kulzer, Sharon Thomes, Keith Hemmesch, Don Williamson, Bert Stanley, Bruce Vanderpool, Dan Haag, Tanner Evans, and Dale Hess.

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

Bill Ludwig, Liquor Store Manager reported the following:

- Sales are strong at \$91,000.00 or 8.6 % and profit is at \$20,000.00; good weather is credited to good sales
- Server and credit card machine upgrades will occur in December
- Wine Club is December 3, 2015
- Community Fundraiser scheduled for April 28, 2015
- Store will be closed Thanksgiving Day and Christmas Day; however, the store will be open New Year's Day

CONSENT AGENDA

Motion to approve the minutes from the following meetings: June 1, 2015 Property Negotiations Team, October 12, 2015 City Council, September 28, 2015 City Council, September 28, 2015 Tax Abatement Public Hearing, October 6, 2015 Special City Council, May 7, 2015 Board of Appeal & Equalization, and July 8, 2015 Property Negotiations Team.

Motion to approve the following vouchers:

11/12/2015	Payroll Checks	91486-91490	\$4,239.96
11/12/2015	Payroll Taxes	91491-91495	\$1,652.99
11/12/2015	Payroll Checks	91496-91516	\$17,471.39
11/12/2015	Payroll Direct Deposit		\$0.00
11/12/2015	Payroll - Fed		\$5,835.50
11/12/2015	Payroll - State		\$1,019.06
11/12/2015	Payroll - TASC		\$392.28
11/12/2015	Payroll - PERA		\$5,894.77
11/12/2015	Payroll - SELECT		\$207.70
11/12/2015	Payroll - Blue Cross		\$5,222.21

11/12/2015	Payroll - AFLAC		\$139.41
11/18/2015	Vouchers	91517-91573	\$103,144.67
		TOTAL	\$145,219.94

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

IRRIGATION – HYDRO ENGINEERING PURCHASE OF GEAR BOXES

Mergen presented a quote from Hydro Engineering in the amount of \$15,606.00 for the purchase of 12 gear boxes for the irrigation system. This did not go to the Public Works Committee due to timing as they are offering a 15% discount for a quick payment.

Motion was made by Soine to approve the quote from Hydro Engineering in the amount of \$15,606.00 for the purchase of 12 gear boxes for the irrigation system. Seconded by Mayer and unanimously carried.

TERRY KULZER - ON SALE NON-INTOXICATING MALT LIQUOR LICENSE – PAYNESVILLE BASEBALL CLUB, INC.

Terry Kulzer was in attendance to discuss the On Sale Non-Intoxicating Malt Liquor License that the City issues to the Paynesville Baseball Club, Inc. Kulzer submitted a petition that was signed by 40 people. The petition included the following language:

We the undersigned, residents of Paynesville, MN, request the Paynesville City Council take action to limit alcohol sale at the Baseball Park Facility to 3.2 malt liquor as stated in the lease agreement and to close such sales at or before 10:00 p.m. This should:

- Improve safety for pedestrians and other traffic in the neighborhood
- Encourage compliance with the 11:00 p.m. City noise ordinance
- Encourage this neighborhood’s peaceful co-existence with the ballpark, and
- Bring the ballpark into compliance with statements made at the 3-31-2012 community meeting

Kulzer further referenced the following:

- Ordinance on Hours & Days of Beer Sales
- 2015 License issued to the Paynesville Baseball Club, Inc.
- Ordinance regarding Conditional Licenses
- Ordinance regarding Disorderly Conduct – Noisy Parties
- Notes from the Community Input Concerning the District 741 Stadium Project on 3-31-12

Kulzer requested the Council to consider modifying the new license for 2016; limiting the hours. Spooner commented that if the hours are limited for one they would be limited for all holders of this type of license. This would also affect Koronis Lanes.

Kulzer stated the following:

- The team is not required to have liquor to host the ball tournaments
- Doesn’t have problem with the public enjoying a beer while watching the game on a hot day

- But not after the game
- Some games are over by 9:30 p.m. and people were still hanging around until 11:45 p.m.
- Doesn't want to eliminate the beer
- Wants people to consider the peace and quiet after the game; a little compromise
- There are other liquor establishments that persons can go to after the game within the City

Thompson questioned if the police had responded to any noise or parking complaints.

Wegner stated that officers responded to a few parking complaints, but no violations. There was some parking congestion. The officers were also called to a noise complaint where the music was too loud. It was addressed and turned down before 11:00 p.m. There were no calls on loud conversation.

Chris Stanley, representing the Baseball Association stated the following:

- Yes, there were a couple of complaints; one was a radio
- Parking was the biggest issue
- Parking was directed to the school parking lots for safety reasons (photos were presented)
- Alcohol sales is a major player and is in the agreement with the school
- More money received gives more money back to the school and ball park
- \$6,675.00 was the net income for the ball park of which 20% goes back to the school
- The remaining profits were used for items at the park
- Not all of the profit was made from beer sales
- If there is no beer after 10:00 p.m. there will be no tournament
- For the first year we feel it went very well
- The length of the school lease is year to year from April to April

Bob Huot, Superintendent of Paynesville Area Schools stated that he plans on renewing the lease unless directed otherwise.

It was asked if the lease would limit the hours of beer sales. Huot stated that the lease says the beer sales will follow the law.

Chris Stanley further commented that some special events may have different hours, but baseball games are not considered special events. There is 3.2 beer served at all amateur baseball events.

It was asked what time the latest a game would start. Chris Stanley stated it could be 8:00 p.m.

It was further asked if at other tournaments is there no beer sales after a certain inning. Chris Stanley said no.

Thompson asked if the East side gates are locked. Chris Stanley said no, due to the shelter being a part of the structure and it is too long of a walk for the senior citizens from the West parking lots.

Sharon Thomes expressed the following:

- It is a real problem as her bedroom is near the street

- She goes to bed early, has the TV and air conditioner on and can still hear talking at 11:00 p.m. and has to get up 4 hours later
- Doesn't call every time, as she doesn't work on Tuesdays
- There are 40 signatures on the petition who are seeking respect for the residents

Eckerly noted that the license is renewable in February.

FINANCIAL ADVISOR – SPRINGSTED, INC.

Doug Green, Springsted was in attendance and gave a presentation on being the City's Financial Advisor; replacing Northland Securities. Springsted only works for non-profits and the public sector and will work on behalf of and in the best interest of the City.

Motion was made by Soine to approve the Agreement For Municipal Advisor Services between the City of Paynesville and Springsted Incorporated. Seconded by Mayer and unanimously carried.

2015 CITY AUDITOR

An Engagement Letter from CliftonLarsonAllen to provide the auditing services for the City of Paynesville for 2015 was presented. For 2015, GASB 68 will be effective and it will require significant additional time for implementation and updating of the financial statements and notes (it will add approximately 5 more pages of note disclosures). With this in mind, the proposed fees are \$600 more than 2014 (less than a 3% increase). The single audit fees, if applicable, were bumped up \$200 due to the new single audit requirements, guidelines, and testing.

Estimated fees include:

- \$21,500.00 financial statement audit services
- \$ 3,200.00 single audit fee for one major federal program
- \$ 2,000.00 each additional major federal program to be audited

Motion was made by Herzberg to approve CliftonLarsonAllen to conduct the 2015 City Audit. Seconded by Soine and unanimously carried.

SERVICE RECOGNITION LUNCHEON

For the past two years the Council approved hosting a joint Commission/Committee/Board & Employee Service Recognition Luncheon and to close the City Hall & Liquor Store from 11:30 a.m. to 1:00 p.m. Discuss hosting a joint event again.

2014 – 91 invitations sent of which 34 attended; 11 committee members and 23 employees.

2013 – 98 invitations sent of which 39 attended; 19 committee members and 20 employees.

Suggested dates were Tuesday, December 8, 2015 or Wednesday, December 9, 2015.

Last year the price for the meal (pork loin, mashed potatoes, gravy, green beans, bun, butter, salad, bar/cookie, coffee, milk, silverware & napkin) per plate was \$8.50.

It was suggested to go out for bids, but to keep the price reasonable.

Motion was made by Mayer to host a Commission/Committee/Board and Employee Service Recognition Luncheon on December 8, 2015 and to close the City Hall and Liquor Store from 11:30 a.m. to 1:00 p.m. Seconded by Soine and unanimously carried.

WEST CENTRAL SANITATION – GARBAGE, RUBBISH & RECYCLABLES AGREEMENT

Don Williamson, West Central Sanitation (WCS) was in attendance to discuss the Agreement and answer any questions. The advantages and disadvantages of single stream recycling, Rate Comparisons, and a Draft Garbage, Rubbish & Recyclables Agreement were presented.

Mergen reviewed the agreement which included:

- WCS providing 65 gallon cart for all recyclables
- Increase of \$1.30 per month for this service
- Agreement to be in effect as of January 1, 2016 for 7 years
- Within 60 days from January 1, 2016 all carts will be delivered and in service

Williamson stated that an informational letter, schedule, calendar, and what to do with the blue bins will be sent out to the customers.

Motion was made by Herzberg to approve the 7 year Garbage, Rubbish & Recyclables Agreement between the City of Paynesville and West Central Sanitation. Seconded by McDaniel and unanimously carried.

AIRPORT BEACON

DeWolf presented Payment Estimate No. 2 Final Payment in the amount of \$6,210.00; payable to Electrical Systems, Inc. for work completed on the beacon.

Motion was made by Herzberg to approve Payment Estimate No. 2 Final Payment in the amount of \$6,210.00; payable to Electrical Systems, Inc. for work completed on the beacon. Seconded by McDaniel and unanimously carried.

PROPOSED 2016 BUDGET - LIQUOR

Ludwig reported on the revenue, sales, and expenses. Salaries are the biggest increases in the budget due to minimum wage increase and two 32 hour employees. Supplies have decreased by 11%. The lease for the store is currently being worked on. Capital Improvement funds were discussed.

BLANDIN FOUNDATION – CITY REPRESENTATIVE

The Chamber is seeking City representation (staff or Council member) for the Blandin Foundation. Applications are due today. They have 17 applicants, but need 24. Thompson has submitted his application and will represent the City if chosen.

INFORMATIONAL

Thompson reviewed the following informational items: CenterPoint Energy Rate Increase Public Hearing Schedule, October Liquor Store Report, West Central Sanitation October & November Garbage Rates, 2015 Compost Site Report, and December & January Meeting Schedules.

Thompson recessed the Regular City Council meeting at 7:45 p.m. to go into Closed Session to discuss real property described as 31.79 A. SW4SE4 less N 10 A and less Hwy. also FR 2.77 A of SE4SW4 lying S'ly of Hwy. 55 Lying E'ly of Hwy. 181 Less S 50' of SW4SE4 Lying E of Hwy. 55.

Thompson opened the Closed Session at 7:48 p.m.

Thompson closed the Closed Session at 8:07 p.m. and re-opened the Regular City Council meeting.

Motion was made by Soine to authorized the City Attorney to draft a Purchase Offer for such property. Seconded by Herzberg and unanimously carried.

There being no further business, the meeting was adjourned at 8:08 p.m.

Renee Eckerly, City Administrator