

**MINUTES
REGULAR CITY COUNCIL MEETING**

DECEMBER 14, 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; Ellarry Prentice, Press; JoLyn Lindquist, Social Media Specialist; and Bill Ludwig, Liquor Store Manager.

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

Ron Mergen, Public Works Director reported the following:

- Christmas tree drop off site; fire hall parking lot until January 11, 2016
- Compost site sold \$5,740.00 in permits; most ever received
- Airport is full and fuel sales are up this year
- There was 26 reservations for the Veterans Park Shelter in 2015
- Donations for the splash pad are up to just over \$12,000.00

CONSENT AGENDA

Motion to approve the minutes from the following meetings: November 9, 2015 City Council, May 11, 2015 City Council, May 11, 2015 Special Joint City Council & Budget & Finance Committee, September 14, 2015 City Council, April 27, 2015 City Council, April 13, 2015 City Council, and September 1, 2015 Budget & Finance Committee.

Motion to approve the following vouchers:

11/25/2015	Payroll Checks	91574-91578	\$4,145.66
11/25/2015	Payroll Taxes	91580-91585	\$2,107.15
11/25/2015	Payroll Direct Deposit		\$17,421.43
11/25/2015	Payroll - Fed		\$5,755.36
11/25/2015	Payroll - State		\$1,005.35
11/25/2015	Payroll - TASC		\$392.28
11/25/2015	Payroll - PERA		\$5,868.41
11/25/2015	Payroll - SELECT		\$207.70
11/25/2015	Payroll - Blue Cross		\$5,222.15
11/25/2015	Payroll - AFLAC		\$139.41
11/24/2015	Voucher	91579	\$1,240.00
12/10/2015	Payroll Checks	91586-91590	\$5,111.95
12/10/2015	Payroll Taxes	91591-91595	\$1,595.99
12/10/2015	Payroll Direct Deposit		\$24,051.65
12/10/2015	Payroll - Fed		\$9,141.36
12/10/2015	Payroll - State		\$1,750.61
12/10/2015	Payroll - TASC		\$392.28
12/10/2015	Payroll - PERA		\$7,952.19
12/10/2015	Payroll - SELECT		\$207.70
12/10/2015	Payroll - Blue Cross		\$5,222.21
12/10/2015	Payroll - AFLAC		\$139.41
12/9/2015	Vouchers	91596-91665	\$151,963.47
		TOTAL	\$251,033.72

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

OCC INVOICE FOR SERVER

Eckerly presented the following:

- Original Quote \$18,012.00
- Fees Over Quoted Amount \$ 6,648.75
- Explanation of Overages
- A counter offer was made by Eckerly to split the overage 50:50; equaling \$3,324.76 each. OCC has countered Eckerly’s offer and wants the City to pay \$3,968.00.
- The above amounts do not include the fees paid in the amount of \$3,529.23 to Bennett Office Technologies to solve issues that OCC or Marco would not fix.

Eckerly explained that OCC was chosen to do the work originally due to their labor quote was \$10,000.00 less than Marco. Eckerly has visited with other companies and most conversions don’t take 6 weeks. Some items still remain to be fixed. Eckerly recommended not paying the entire overage due to the time she put into the conversion.

Motion was made by Herzberg to recommend paying OCC \$3,650.00 for the overage in labor. Seconded by Soine and unanimously carried.

Spoooner suggested emailing OCC that this would be full and final payment before issuing a check.

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

The Council tabled action on this as Eckerly is working on having a representative from the State Alcohol and Gambling Board come to address the Council.

MPCA – WATER TREATMENT GRANT

DeWolf reviewed the Work Plan, Project Budget and Final Grant Agreement. The Work Plan has three processes:

1. Complete a pilot study
2. Design and preparation for bids
3. Construction

Mergen mentioned that the timeline is a concern as it must be completed in 2017. Mergen recommended approving objective number 1 and authorize Bolton & Menk to proceed in the amount of \$29,550.00.

It was mentioned that the recommendation should be contingent upon MPCA's signature. DeWolf stated that the Agreement would be fully executed by December 22, 2015.

Motion was made by Mayer to approve the MPCA Work Plan, Project Budget for the City of Paynesville Water Treatment Grant and authorize the Mayor and City Administrator to sign the document. Seconded by Soine and unanimously carried.

Motion was made by Mayer to approve objective number 1 and authorize Bolton & Menk to proceed in the amount of \$29,550.00; contingent upon MPCA's signature. Seconded by Soine and unanimously carried.

AMENDED EDAP LOAN – LAMB LABOR SERVICES – LEN GILMORE

Eckerly presented the Amended EDAP Loan documents for Len Gilmore, Lamb Labor Services. The loan is for \$2,503.50 at 3.5% interest for 24 months with a payment of approximately \$108.16 per month. This is a Small Cities Revolving loan.

The Council approved Gilmore's original loan on November 9, 2015 in the amount of \$2,182.50 at 3.5% interest for 24 months; however, Gilmore is asking for an additional \$321.00 to cover the costs of additional construction on the face of his building that needed to be completed.

Motion was made by Soine to approve the EDAP Loan in the amount of \$2,503.50 at 3.5% interest for 24 months for Len Gilmore, Lamb Labor Services. Seconded by Herzberg and unanimously carried.

INFORMATIONAL

Thompson reviewed the following informational items: August, September, & October Investment, Liquor Revenue & Expenses, Incode Financial Reports, City Attorney Report, and Capital Improvement Breakdown Report – all reports can be found on the City's website. November Liquor Store Reports, Morgan Stanley Investment Report, Aurora Solar Energy Notice, Update On Met Council CSG Lottery, MN DRN Koronis Stearns Inspection & Assessment Report 11-30-15, and Windstream Rates Changes.

Thompson recessed the Regular City Council meeting at 6:27 p.m. to open the Truth In Taxation Public Hearing.

Thompson re-opened the Regular City Council meeting at 6:46 p.m.

2016 BUDGET

Motion was made by Soine to approve Resolution 2015-16 Adopting the 2016 City Budget. Seconded by Herzberg and unanimously carried.

(Please see Attachment #1 – the above-referenced Resolution which has been made a part of these minutes.)

2016 TAX LEVY

Motion was made by Soine to approve Resolution 2015-17 Adopting Final 2016 Tax Levy Collectible in 2016. Seconded by McDaniel and unanimously carried.

(Please see Attachment #2 – the above-referenced Resolution which has been made a part of these minutes.)

2016 WATER & SEWER RATES

Motion was made by Soine to approve Resolution 2015-18 Regarding Chapter 3 of Ordinance No. 1, 2nd Series. Seconded by Herzberg and unanimously carried. (Please see Attachment #3 – the above-referenced Resolution which has been made a part of these minutes.)

Thompson recessed the Regular City Council meeting at 6:47 p.m. to go into Closed Session to conduct the City Administrator's Performance Evaluation.

Thompson opened the Closed Session at 6:48 p.m.

Thompson closed the Closed Session at 6:57 p.m. and re-opened the Regular City Council meeting.

Motion was made by Soine to direct the Mayor to present to the City Administrator a satisfactory Performance Evaluation. Seconded by McDaniel and unanimously carried.

There being no further business, the meeting was adjourned at 6:58 p.m.

Renee Eckerly, City Administrator