

MINUTES CITY COUNCIL MEETING

APRIL 8, 2019

Mayor Jeff Thompson called the meeting to order at 6:00 p.m. Council members present were Shawn Reinke, Neil Herzberg, Alicia LaBeau, and Len Gilmore. Others present were Renee Eckerly, City Administrator; Jennifer Welling, Administrative Assistant/Zoning Specialist; Ron Mergen, Public Works Director; Bill Spooner, City Attorney with Spooner & Glenz; Chuck DeWolf, City Engineer with Bolton & Menk, Inc.; Kristin Leither, Social Media Specialist; Gayle Kass, and Dave Zimmer.

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

Paul Wegner, Police Chief reported on the following:

- Serocki started last Wednesday
- Haakonson passed the background checks and will start on Monday
- 2 forfeited vehicles were sold, the remaining 2 vehicles will go back up again this week
- Working on school SRO program
- K-9 Jerry is all healed and heading back to training

Bill Ludwig, Liquor Store Manager reported on the following:

- Sales are up \$4,697.00 or 15%
- Profits are flat
- Customer count is down 623
- Average ring is up \$1.05
- March sales were horrible
- Working on a reset of the store and have purchased more shelving
- Bus trip brewery tour is scheduled for March 30
- Accepting applications for clerks through April 10
- Annual Customer Appreciation Day is May 24

Ron Mergen, Public Works Director reported on the following:

- Residents running their water are to NOT shut their water off yet; residents will be notified when to do so
- Compost site will open mid-month; weather permitting
- Park reservations are being accepted
- The Park Sub-Committee is researching park equipment
- Flushing hydrants is scheduled for April 24 and 25
- Spring Clean Up & HHW Collection is April 27
- Staff will be sweeping streets
- Water Festival is May 3
- Airport fuel has seen a decrease in price
- Scavenger Days will be April 19-21

CONSENT AGENDA

Motion to approve the minutes from the following meetings: February 25, 2019 Policies & Procedures Board, March 19, 2019 Special Joint EDAP & City Council – Working Session

Downtown Revitalization & Redevelopment, March 4, 2019 Planning Board, February 7, 2019 Park & Tree Board, March 14, 2019 Environmental Board, March 25, 2019 City Council, February 11, 2019 City Council (revised), and March 11, 2019 City Council.

Motion to approve the following vouchers:

03/26/2019	VOID – Ridgewater	98800	\$0.00
03/18/2019	Payroll Direct Deposit	final Burtzel & Koltjes	\$710.67
03/18/2019	Payroll Direct Deposit	severance Burtzel	\$8,435.40
03/26/2019	Utility Acct Refund	98829-98831	\$109.85
03/28/2019	Payroll Checks	98832-98884	\$42,929.93
03/28/2019	Payroll Direct Deposit	none-all checks	\$0.00
03/28/2019	Payroll Taxes	98885-98887	\$1,562.63
03/28/2019	Payroll - Fed		\$10,088.45
03/28/2019	Payroll - State		\$1,394.18
03/28/2019	Payroll - TASC		\$377.24
03/28/2019	Payroll - PERA		\$5,148.03
03/28/2019	Payroll - SELECT		\$348.08
03/28/2019	Payroll - Health Partners		\$4,561.46
03/28/2019	Payroll - AFLAC		\$270.60
03/28/2019	Payroll - Delta Dental		\$221.04
03/28/2019	Payroll - Lincoln		\$463.53
04/05/2019	Vouchers	98888 - 98936	\$83,327.05
		Grand Total	\$159,948.14

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

Thompson recessed the Regular City Council meeting and opened the Variance Public hearing at 6:15 p.m.

VARIANCE REQUEST – ZIMMER & KASS PUBLIC HEARING

The City has received a Variance application from David J. Zimmer and Gayle M. Kass, a Variance Application to allow the replacement of an existing garage. David J. Zimmer and Gayle M. Kass are the owners as joint tenants of property located at 408 Koronis Ave., Paynesville, MN 56362; and WHEREAS, the property at issue is more particularly described as Parcel No. 70.39249.0000, and is legally described as follows, to-wit:

Lot Eight (8), Block One (1), Residence Park, an Addition to the City of Paynesville according to the plat and survey thereof on file and of record in the Office of the County Recorder in and for Stearns County, Minnesota; and

The existing garage is 19’6” in depth and 12’ in width. The existing garage meets setback requirements on the front and the two (2) sides, but does not meet the rear setback where the applicant’s property abuts the fire hall of the City of Paynesville. The applicant proposes to build a garage which would be 24’ wide and 24’ deep. The proposed garage would again meet the front and side setbacks, but would not meet the rear setback where the garage abuts the Paynesville Fire Department property. This would be an enlargement or expansion of a non-conforming use and, therefore, requires a Variance from the requirements of City Code,

Chapter 36, Section 36-5, which requires accessory buildings to be setback not less than 4' from a rear property line.

There being no comments or questions, Thompson closed the Public Hearing and re-opened the Regular City Council meeting at 6:16 p.m.

VARIANCE REQUEST – ZIMMER & KASS

Motion was made by LaBeau to approve the Zimmer & Kass Variance Determination. Seconded by Gilmore and unanimously carried.

CONCEPT PLAN – VOSS EXCAVATING ADDITION

The City has received a Concept Plan Application for the Voss Excavating Addition from David Voss. Please review the attached application and proposed layout of the plat. The property within the proposed plat is owned by three different entities; however, the ownership of the railroad spur is under investigation and the attorney for Mr. Voss and the City's Attorney, Bill Spooner are working through the details on this ownership. Mr. Voss is bringing this forward now in the preliminary stages to speed up the process a bit once ownership is determined. Mr. Voss' plan is to square up the three lots and to construct a shop on his lot. The City will need ownership of the railroad spur confirmed before the City will accept a Final Plat and go through that stage in the platting process (Mr. Voss is aware of this). The Planning Board has reviewed this and recommends approval. Spooner noted that ownership is still being determined.

Motion was made by Gilmore to approve the Voss Excavating Addition Concept Plan. Seconded by LaBeau and unanimously carried.

2019-2021 AUDIT PROPOSAL – SCHLENNER WENNER & CO.

Schlenner Wenner & Co. has submitted their Audit Proposal for 2019-2021. There is a bit of an increase for year one to get to where Schlenner Wenner & Co. really thinks the audit fee needs to be. From there, they have a 3% increase going forward. In the last proposal that was approved by the City Council on November 14, 2016 the rates were:

2016 \$23,875.00-\$4,500 (SA) = \$19,375 (we inadvertently only billed \$18,375)
2017 \$25,425.00-\$5,000 (SA) = \$20,425 (actual audit invoice)
2018 \$26,975.00-\$5,500 (SA) = \$21,475 (actual audit invoice)

The cover letter states a 15% increase to cover costs and then a 3% increase:

2019 \$24,695 (15% increase from \$21,475)
2020 \$25,435 (3% increase from \$24,695)
2021 \$26,200 (3% increase from \$25,435)

The staff is very pleased with Schlenner Wenner & Co.

Motion was made by Reinke to approve the Audit Proposal from Schlenner Wenner & Co. for 2019-2021. Seconded by LaBeau and unanimously carried.

MN DNR LICENSE FOR UTILITY TO CROSS PUBLIC WATER

Please review the attached license renewal through the MN DNR for utilities to cross public waters. This is a 25 year license from 2019-2044. The fee for the license is \$142.00. There was discussion on if this was a 25 year license or 50 year license due to the discrepancy between the agreement and the cover letter. There was no action taken as the length of the license needs to be clarified. This item was tabled.

COMMUNITY EMERGENCY PREPAREDNESS – DISASTER EXERCISE

Eckerly reported that Stearns County received a grant for this disaster exercise and they are inviting 6 cities in the County to participate with them. Eckerly received a call from Erin Tufte, Stearns County Emergency Management Director inviting the City of Paynesville to participate. All costs are covered except for 2 evening meals and staff time. Renee Eckerly and Tom Fread, Emergency Management Director are interested in attending this training.

It was asked if there anyone from the Council interested in attending the meetings and exercise at Fort Ripley. The first (of a few) meeting is April 23, 2019 from 1-3 p.m. in St. Cloud and the exercise will be held October 6-8, 2020 at Fort Ripley. LaBeau, Reinke and Thompson expressed interest.

Motion was made by Reinke to approve the attendance of Renee Eckerly, Tom Fread, and any available Council members to the Community Emergency Preparedness – Disaster Exercise. Seconded by Herzberg and unanimously carried.

SCHOOL RESOURCE OFFICER (SRO)

A draft Part-Time School Resource Office (SRO) Job Description and Memorandum of Understanding for this position between the City of Paynesville and Paynesville Area Schools District 741 was presented. Wegner reported on the position and relationship with the school. Wegner suggested hiring Anthony LaPatka to do the job on a part-time basis (120 days at 4 hours each day).

Motion was made by LaBeau to approve the Part-Time School Resource Office (SRO) Job Description. Seconded by Reinke and unanimously carried.

Motion was made by Herzberg to approve the Memorandum of Understanding For School Resource Officer (SRO) between the City of Paynesville and Paynesville Area Schools District 741. Seconded by LaBeau and unanimously carried.

GREEN STEP CITIES – UPDATE

Eckerly reported on the Green Step Cities Program:

- Learned about the program at MCFOA
- 127 cities are currently participating
- 29 best practices need to be completed
- Some cities have hired people to just do this program
- A resolution will need to be approved as the first step
- There are 177 action items
- Time consuming program

It was suggested to put this on the Environmental Board agenda. It was suggested to bring this back to the next meeting to pass a resolution.

SURPLUS PROPERTY – SEWER CAMERA

The City received and opened one bid on April 4, 2019 for the 2007 Sewer Inspection Camera. The bid was received from Voss Plumbing & Heating in the amount of \$250.00.

Motion was made by Gilmore to accept the bid from Voss Plumbing & Heating in the amount of \$250.00 for the 2007 Sewer Inspection Camera. Seconded by Herzberg and unanimously carried.

AMPI EXPANSION PROJECT

DeWolf reported that the City received and opened 6 bids for the AMPI Expansion Project on April 2, 2019. The apparent low bid of \$3,633,818.00 was received from Eagle Construction Co., Inc. from Little Falls, MN which was 3-4% over the engineer's estimate. This is being presented as informational only at this time.

Attached is also the Significant Industrial User Agreement (SIU) and Repayment Agreement between the City of Paynesville and AMPI was presented. The Public Works Committee is reviewing these; therefore, no action is required at this time.

In addition, the Official Public Rating Letters for the AMPI Bond was reviewed. The bonds will be presented for approval at a Special City Council meeting on April 16, 2019 at 4:45 p.m. (prior to the Special City Council Community Meeting with the School and Township that has been set for 5 – 6 p.m.).

Motion was made by LaBeau to set a Special City Council meeting for Tuesday, April 16, 2019 at 4:45 p.m. Seconded by Reinke and unanimously carried.

2019 STREET & DRAINAGE PROJECT

DeWolf reviewed his letter outlining the bids received for the 2019 Street Project. The low bid of \$3,135,946.68 was submitted by Voss Plumbing & Heating of Paynesville, MN. The breakdown of the bid is as follows:

Base Bid	\$2,602,041.95
Bid Alternate 1 – Railroad Street Drainage Improvements	\$ 391,661.75
Bid Alternate 2 – Private Industrial Drainage Improvements	\$ 78,610.50
Bid Alternate 3 – 2 nd Street South/Diekmann Drive Improvements	<u>\$ 63,632.48</u>
TOTAL	\$3,135,946.68

If the Council wishes to move forward they could award the base bid, Bid Alternate 1, and Bid Alternate 3 totaling \$3,057,336.18 to Voss Plumbing & Heating, Inc. Bid Alternate 2 in the amount of \$78,610.50 could be approved contingent on the private properties associated with the work signing as assessment agreement for the full costs of the bid alternate 2.

Resolution 2019-15 Accepting Bids with the contingency of the private properties associated with the work signing as assessment agreement for the full costs of the bid alternate 2 was presented.

An email from Realty Income on behalf of the former Shopko property that they would want access into their property from the new 2nd Street extension was presented.

In addition the Absolute, Irrevocable & Perpetual Underground Utility Easement Agreement And Temporary Construction Easement between the City of Paynesville and LTS Holdings, LLC was presented. This agreement would allow the City to pipe across the mobile home park property to the new storm drainage pond.

Motion was made by LaBeau to approve Resolution 2019-15 Accepting Bids. Seconded by Herzberg and unanimously carried.

Motion was made by Reinke to approve the Absolute, Irrevocable & Perpetual Underground Utility Easement Agreement And Temporary Construction Easement between the City of Paynesville and LTS Holdings, LLC. Seconded by Gilmore and unanimously carried.

DISPOSITION OF FORFEITED PROPERTY

Wegner reported that the police department has completed the forfeiture proceedings for the 1971 Chevy Pick-up and the 2009 Pontiac G6. The vehicles were listed on eBay on March 20, 2019 with a close of the auction on March 27, 2019. The vehicles were advertised on the City's Facebook Page and Website. Both vehicles were disposed of according to state statute and in a commercially reasonable manner. The auctions closed as follows:

- 1971 Chevy C-10 - sold for \$9,657 to a Buyer from Hitterdal, MN
- 2009 Pontiac G6 - sold for \$3,300 to a buyer from Warren, MN

No action was necessary as the sales were previously approved.

INFORMATIONAL

LaBeau reviewed the following informational items: BHE Community Solar, LLC – 2018 Annual Report, February & March Liquor Store Reports, March Police Department Report, and Certificate of Commendation – Paynesville Wastewater Treatment Plant

There being no further business, the meeting was adjourned at 7:01 p.m.

Renee Eckerly, City Administrator