MINUTES
CITY COUNCIL MEETING

NOVEMBER 27, 2023

Mayor Shawn Reinke called the meeting to order at 6:00 p.m. Council members present were Jean Soine, Megan Brick, and Neil Herzberg. Paul Thielen attended the meeting via Zoom. Others present were Tariq Al-Rifai, City Administrator; Kristin Leither, Social Media Specialist; Ron Mergen, Public Works Director; Chuck DeWolf, Bolton & Menk, Inc.; Bill Spooner, Spooner & Glenz; Paul Wegner, Police Chief; Allison Janssen, Erica Reinke, and Will Beardmore.

The Pledge of Allegiance was recited.

Council members gave verbal activity reports.

Mergen reported the following:

- The flags are at half-staff today for the passing on Rosalynn Carter
- Compost Site will close on December 4th
- Thanked Rotochopper, Inc. for chipping all the wood at the Compost Site
- They've received approximately $1,450 in donations at the Compost Site and just under $1,100 in donations at the RV Dump
- There were 28 reservations for the Veteran's Park shelter and 11 reservations for the gazebo at Gazebo Park this year
- The kayaks at Veteran's Park were rented 209 times this summer, which is a good response for the first year
- The City parks survey is still open, please take time to fill that out if you haven't already
- They are working on the Ampe Park shelter design
- Winter parking regulations are in effect
- Thursday will be the last day for the Public Works part-time workers for the year
- Irrigation is completed, the City irrigated 271 million gallons

Al-Rifai mentioned the following:

- Discussed with Mergen and the Stearns County Soil & Water Conservation District about what's available to help with the chloride issue
- Attended the Planning and EDAP Board meetings, as well as the Scam Presentation presented by the Police Department
- The new firetruck needs to be refitted with a new door latch which will take a couple weeks to finish

PUBLIC OPEN FORUM

Erica Reinke was in attendance to address the Council regarding the tree lighting event. She said there was not enough light; therefore, endangering attendees for being too dark. Some people tripped over the cords on the ground and the guide wires for the tree. She suggests making sure the event is adequately lit next year, possibly with the use of ground lights.

CONSENT AGENDA

Motion to approve the minutes from the following meetings: October 25, 2023 Special City Council Working Session With Liquor Store and October 23, 2023 Regular City Council.

Motion to approve the following vouchers:

11/16/2023	Payroll Direct Deposit		$ 35,730.58
11/16/2023	Payroll Taxes	107226-107230	$ 4,179.01
11/16/2023	Payroll - Fed		$ 10,231.77
11/16/2023	Payroll - State		$ 2,011.39
11/16/2023	Payroll - TASC		$ 41.53
11/16/2023	Payroll - PERA		$ 9,177.25
11/16/2023	Payroll - Further		$ 2,574.06
11/16/2023	Payroll - Health Partners		$ 5,961.48
11/16/2023	Payroll - AFLAC		$ 220.67
11/16/2023	Payroll - Met Life Dental		$ 194.16
11/16/2023	Payroll - Lincoln		$ 1,113.19
11/27/2023	Vouchers	107231-107278	$ 159,720.41
		Total	$ 231,155.50

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

PRELIMINARY PLAT – JOSHUA FLATS

The City has received a Preliminary Plat application from Kranz & Kranz, LLC, Aaron & Bobbie Kranz to subdivide their commercial property into 2 lots. Their existing lot is a “meets and bounds” description; therefore, the only way this property can be split is by means of a plat. The reason for the proposed split is the owners have the opportunity to sell the second lot for a commercial use.

Council reviewed the attached Application and Report & Recommendation Of Planning Board Regarding Application For Approval Of Preliminary Plat Entitled Joshua Flats and Resolution 2023-26 Preliminary Plat Of Joshua Flats.

Aaron has indicated that Lot 1 will be sold for a commercial business, but that business is undetermined at this time. Whatever the business is, it will need to meet all zoning regulations at such time.

Staff update:

- The Plat has been reviewed and approved by Stearns County.
- MnDOT has reviewed the Plat and the City will issue a Road Certificate. MnDOT’s comments have been sent to Aaron Kranz as their comments relate to the development of Lot 1.
- City Engineer, Chuck DeWolf has reviewed the Plat and his comments (mostly regarding the development of Lot 1) have been sent to Aaron Kranz.
- A Development Agreement has been drafted and is currently being reviewed by staff.

- The developer will need to pay the property taxes in full prior to the recording of the Final Plat.

The Planning Board has reviewed this, held a public hearing and recommends approval. Soine reported there was no opposition presented at the public hearing.

Motion was made by Herzberg to approve Resolution 2023-26 Preliminary Plat of Joshua Flats. Seconded by Soine and unanimously carried.

WAGE STUDY

Reinke gave a verbal report. This was tabled from the September 25, 2023 City Council meeting. Excerpt of minutes from the September 6, 2023 Special Budget & Finance Board meeting:

Wage Study
This was put back on the agenda at the request of some City employees. Reinke reminded the Board that this was discussed earlier in the year, but the recommendation was never presented to the City Council. Reinke advised this was being brought back to ensure it is fully discussed now that budget numbers are better known. After further discussion, the Board's recommendation can be sent to Council. Knoll agreed that the full Council should weigh in on the issue and agreed the past recommendation was to not make a change.

Ludwig reported reducing the grades would result in a rough-estimated budget increase of $22,000. Ludwig further explained that 16 employees are currently at the maximum step and this would move 14 employees down one or more steps, which would result in further budget increases in future years. Eleven employees would show a wage decrease as a result of this move, which would affect employees in Public Works, Police and City Administration.

Thielen said that there have been ongoing concerns with wages and expressed it would be his preference to hold off at this time.

Mehlhop joined the meeting at 1:09 p.m. Reinke shared that the Board was discussing the wage study and shared some of the discussion. Mehlhop expressed that the wage study was to fix the pay inequity and wanted to make sure that it was implemented. Reinke expressed his understanding of the wage study was that everything was implemented other than the reduction in grades, which was more of an administrative thing, but all salaries were raised to an appropriate level. Members discussed that the pay scale was implemented without the reduction in grades.

Reinke discussed whether this would be most appropriately negotiated in the upcoming union negotiation in 2024 to take effect in 2025. Reinke discussed that this would be his preference as there are full time employees who would take a pay cut as a result of the reduction in grades thereby giving those employees a say in the process. Ludwig shared that incorporating this into the labor negotiations would allow for greater flexibility to perhaps increase wages by a set amount across the board rather than

reduce grades that would increase wages for some and reduce for others. Knoll shared that this would be going to the Council for a full discussion.

Motion was made by Knoll to not change the step and grade system at this time, but reserve the option to negotiate it in the upcoming union negotiations and recommend such to the City Council. Seconded by Thielen and unanimously carried.

Reinke said that he went over the numbers again and got the same as Ludwig stating reducing the grades would result in an increase of $22,000. This calculation is only looking at 2024 and does not take the 3% cost of living increase into account.

Motion was made by Herzberg to not change the step and grade system at this time, but to reserve the option to negotiate it in the upcoming union negotiations. Seconded by Soine and unanimously carried.

ORDINANCE NO. 48 3RD SERIES – AMENDING PARK HOURS FOR FIRE PIT USAGE AT GAZEBO PARK

Al-Rifai gave a verbal report. Council reviewed Ordinance No. 48, 3rd Series. The following is an excerpt of minutes from the 11-2-23 Park & Tree Board meeting:

FIREPIT HOURS

Al-Rifai noted that the Policy and Procedures Board is recommending changing the hours for the firepit to be open until 10:00 p.m. after considering the other option of being open until quiet hours of 11:00 p.m. Members noted that in the summer most people don't light the fire until 10:00 p.m.; therefore, members preferred allowing the firepit to be used until 11:00 p.m.

Motion was made by Osendorf to allow the firepit to remain open until 11:00 p.m. and recommend such to the City Council. Seconded by Truwe and unanimously carried.

The following is an excerpt of minutes from the October 25, 2023 Policies & Procedures Board Meeting:

FIREPIT HOURS

Al-*Rifai mentioned receiving comments regarding the firepit. The current ordinance states that the park cannot be used after dusk, which makes using the firepit nearly unusable in the winter months. Members agreed that hours should be changed to allow residents to use it; however, Wegner suggested changing the ordinance only to allow for the firepit to be used and not the entire park.*

There was discussion on allowing the firepit to be used up until quiet hours (11:00 p.m.) or an earlier time.

Motion was made by Al-Rifai to amend the ordinance to allow the firepit to be used up until 10:00 p.m. and recommend such to the City Council. Seconded by Herzberg and unanimously carried.

On November 13, 2023 the Council decided on allowing the fire pit to be used until 11:00 p.m. The ordinance has been posted for the required 10 days.

Motion was made by Brick to approve Ordinance No. 48, 3rd Series. Seconded by Soine and unanimously approved.

WHOBALATION EVENTS

Allison Janssen, Paynesville Community Service Center was in attendance to present the Whobalation Event details. They are seeking approval for the following:

Parade Permit – To hold a WhobaTrain Parade on Saturday, December 2, 2023 from 5:00 p.m. to 5:30 p.m. The parade would start at 110 Lake Ave. (on Railroad Street side) down Railroad St. to Washburne Ave. to Mill St. W. to Stearns Ave. down and around Stearns Place and the nursing home back to Washburne Ave. and ending at Gazebo Park. The Police Chief has reviewed this and recommends approval with the understanding that they will need a police escort and they need to work with the Public Works Department on barricades throughout the parade route.

Street Closings – To close the streets along the parade route on Saturday, December 2, 2023 from 5:00 p.m. - 5:30 p.m. The Police Chief and Fire Chief have reviewed this and recommend approval with the understanding that they will need to work with the Public Works Department for barricades.

In addition, to close Washburne Ave. from just south of the 423 Washburne Ave. (Stang residence) to Main St. (in front of Gazebo Park) on Saturday, December 2, 2023 from 5:00 p.m. – 8:00 p.m. The Police Chief and Fire Chief have reviewed this and recommend approval with the understanding that they will need to work with the Public Works Department for barricades.

Use of Gazebo Park – They are also seeking permission to use Gazebo Park and the firepit until 8:00 p.m. which is past the park's closing hour of dusk.

The City has received the necessary Certificate of Insurance for the event.

Brick asked if they needed any help with the chili fundraiser regarding food safety. Janssen replied that Rob from the Roadside Tavern was taking care of that. Al-Rifai noted the County has approved closing Business 23, but is waiting on the City for final approval. Janssen also noted that they will make sure they have adequate lighting at the event.

Motion was made by Soine to approve the Paynesville Community Service Center's WhobaTrain Parade, street closures, and allow them the use of Gazebo Park and the firepit until 8:00 p.m. which is past the park's closing hour of dusk. Seconded by Herzberg and unanimously carried.

LIQUOR LICENSES

The City has received the 2024 liquor license applications for On-Sale Liquor & Sunday Liquor - $3,400.00/each from the following:

Queen Bee's Bar & Grill, Inc.
Paynesville American Legion Post #271

Motion was made by Herzberg to approve 2024 On-Sale Liquor & Sunday Liquor Licenses for Queen Bee's Bar & Grill Inc. and the Paynesville American Legion Post #271. Seconded by Brick and unanimously carried.

POLICE PROSECUTION SERVICES

Al-Rifai gave a verbal report. City Attorney Bill Spooner has expressed his interest in resigning from the criminal side of his attorney services for the City by January 1, 2024. Two proposals were received from:

1. St. Cloud City Attorney – In addition to criminal prosecution, our proposal will also include handling motor vehicle forfeitures for those offenses that the City Attorney's Office is the prosecuting authority, review of permit to purchase firearm applications, ordinance code violations and training updates for law enforcement. Fee of $25,000 for these services.
2. Stearns County Attorney – Flat fee of $15,300 including all criminal prosecutions, forfeitures, appeals and victim contacts, guaranteed for two years. Excludes ordinance matters and all civil legal work.

Excerpt of minutes from the October 31, 2023 Special Budget & Finance Board meeting:

PROPOSALS FOR PROSECUTION SERVICES

Bill Spooner is planning on closing down the criminal practice at his office and suggested the City look at contracting with another law firm for criminal prosecutions or consider contracting with Stearns County or the City of St. Cloud. Al-Rifai reached out to one law firm, the Stearns County Attorney and the St. Cloud City Attorney. The law firm declined to give us a proposal as they said they are not able to handle the additional caseload. Members reviewed the two proposals received noting that the Stearns County Attorney is proposing a flat rate of $15,300 per year, while the St. Cloud Attorney is proposing a flat rate of $35,000.

Chief Wegner said he will reach out to the law firm the City of Cold Spring uses to see if they are willing to give us a proposal.

Motion by Al-Rifai to recommend to City Council the contract with the Stearns County Attorney for Prosecution Services in the amount of $15,300 per year, pending receiving a third quote from another law firm. Seconded by Knoll and unanimously carried.

The Budget & Finance Board has reviewed this and recommends working with the Stearns County Attorney.

Al-Rifai pointed out that the City of St. Cloud did give a counter offer of $25,000 rather than the original $35,000. Wegner noted that the law firm for the City of Cold Spring also declined to give a quote. Wegner suggests contracting with St. Cloud on account of their positive working relationship and the extra services offered. They will still work with Stearns County on higher level offenses. Both quotes are within the Police Department's budget.

Reinke asked how many ordinances did the City prosecute last year. Wegner explained a number of ordinance violations are processed, but only a handful end up on Spooner's desk as criminal offenses. Reinke said it seems a stretch to pay that much more for the few violations they may process in a year and to possibly review a gun permit. Wegner said that St. Cloud is genuinely interested in getting the City's business, they even lowered their price by $10,000, that shows him that St. Cloud will treat the City well. St. Cloud also includes training officers on any new laws that come out.

Thielen feels more comfortable with St. Cloud after reading the reports. He's worried Stearns County may not be able to give the City their full attention where St. Cloud is a neighbor that would be more invested in Paynesville. Brick suggested going with Stearns County and reassessing how it worked out after the two years. Soine asked what they would do if they want to get out of the contract sooner. Spooner said both contracts allow for early termination as long as there is 60 days' notice. Reinke suggested putting this on an agenda in September next year in order to review how well Stearns County is doing.

Motion was made by Reinke to approve the proposal for prosecution services from Stearns County in the amount of $15,300. Seconded by Soine and carried 3:2 (Soine, no; Reinke, yes; Brick, yes; Herzberg, yes; Thielen, no).

ANNUAL CITY TREE LIGHTING EVENT

Al-Rifai gave a verbal report. It has been suggested to get the Council's approval designating the City Tree Lighting as an annual event on the Saturday following Thanksgiving at 5:30 p.m. and allow the use of Gazebo Park past the closing hour of dusk.

Brick welcomes any feedback about the event and will adjust to make the event safe and enjoyable for everyone next year. Janssen asked if they could move cords at Gazebo Park to make sure no one trips over them at the Whobalation events. Reinke suggested she visit with Mergen and Al-Rifai to figure out the best way to handle the cords.

Reinke is worried about liability since the Council never formally approved this year's event. He suggests giving this event to the Park & Tree Board to plan every year to bring back to Council. Brick agreed with this and suggested starting the event planning at the next Park & Tree meeting in February.

Council discussed various ways to get more people to Paynesville for the various winter events. No action was taken.

INFORMATIONAL

Mayor Reinke reviewed the following: October Incode Financial Reports, Budget vs. Actual Graph, Investment Report, Liquor Revenue & Expenses City Attorney Expense Report, &

Capital Improvement Report. All reports can be found on the City's website., Mediacom Programming Changes & Rate Adjustments, and December & January Meeting Schedules.

OFFER TO PURCHASE REAL ESTATE

Motion was made by Brick to meet in closed session as permitted by MN State Statute Section 13.D.05, Subdivision 3 to discuss a counteroffer on real property located at 311 Washburne Ave. Seconded by Herzberg and unanimously carried.

Mayor Reinke recessed the Regular City Council meeting at 6:57 p.m. to go into Closed Session to discuss a counteroffer on real property located at 311 Washburne Ave.

Mayor Reinke closed the Closed Session at 7:14 p.m. and re-opened the Regular City Council meeting.

Council has decided to contact the seller and arrange a site tour which will be posted as a public meeting. The Library Board, Township Board, and some City staff will be invited to attend. Following the meeting, the Council will re-evaluate the offer.

There being no further business, Mayor Reinke adjourned the meeting at 7:15 p.m.

Tariq Al-Rifai, City Administrator