MINUTES
CITY COUNCIL MEETING

FEBRUARY 8, 2021

Mayor Shawn Reinke called the meeting to order at 6:00 p.m. Council members present were Jean Soine, Megan Brick, Paul Thielen, and Neil Herzberg. Others present were Tariq Al-Rifai, City Administrator; Jennifer Welling, Administrative Assistant/Zoning Administrator; Ron Mergen, Public Works Director/Airport Manager; Bill Spooner, City Attorney with Spooner & Glenz; Chuck DeWolf, City Engineer with Bolton & Menk, Inc.; Kristen Leither, Social Media Specialist; Paul Wegner, Police Chief; and Bill Ludwig, Liquor Store Manager.

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

Ludwig reported on the following:

- Sales were up 28% over 2019
- Profits were up 23% over 2019
- Served 71,000 customers in 2020
- January sales are up 25%
- Still stock and can shortage issues
- Wine Club continues to be on hold in efforts to keep everyone safe

Mergen reported on the following:

- City received the MnDOT permit for the third speed sign
- Water freezing – residents are to check the temperature of your water; temperatures between 37-39 degrees; please call Ron Mergen and start running your water
- Reminder to residents to clean sidewalks
- Park Board discussed dog parks, gazebo improvements, Ampe park designs, and a RV Dump information sign
- Stearns County Solid Waste Management Committee – reduce, reuse and recycle

Al-Rifai reported on the following:

- Met with Lake Ave. property owner for a new industrial park
- Met with Northland Securities regarding Tax Abatement and TIF
- Discussed what other cities in Stearns County have done to help licensed liquor establishments impacted by COVID-19; most cities have done something similar to what we have done.

CONSENT AGENDA

Motion to approve the minutes from the following meetings: July 28, 2020 Public Safety Board, January 25, 2021 Regular City Council, October 26, 2020 Special Safety Board, and October 6, 2020 Liquor Board.

Motion to approve the following vouchers:

1/28/2021	Payroll Checks	102395-102396	$ 3,490.28
1/28/2021	Payroll Direct Deposit		$ 28,615.33
1/28/2021	Payroll Taxes	102397-102399	$ 2,150.76

1/28/2021	Payroll - Fed		$ 8,918.02
1/28/2021	Payroll - State		$ 1,753.92
1/28/2021	Payroll - TASC		$ 226.91
1/28/2021	Payroll - PERA		$ 8,494.37
1/28/2021	Payroll - Further		$ 2,217.68
1/28/2021	Payroll - Health Partners		$ 5,147.46
1/28/2021	Payroll - AFLAC		$ 245.06
1/28/2021	Payroll - Delta Dental		$ 203.40
1/28/2021	Payroll - Lincoln		$ 867.42
2/4/2021	Vouchers	102400-102463	$ 195,780.32
		Total	$ 258,110.93

Motion to appoint Katie Gardner to the Park & Tree Board, effective immediately.

Motion to approve the refuse license for B & C Cleanup.

Motion to approve the training request for 720 Roadside Training for Officer Haakonson.

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

LIQUOR STORE CLERK RESIGNATION

Whitney Schaefer, Liquor Store Clerk has submitted her resignation, effective February 20, 2021.

Motion was made by Soine to accept the resignation of Whitney Schaefer, Liquor Store Clerk, effective February 20, 2021. Seconded by Brick and unanimously carried.

Ludwig commented that this position will not be filled at this time. Bill Ludwig would rather bring on seasonal summer help.

LIQUOR STORE TRANSFER TO CAPITAL IMPROVEMENT FUND

Soine reported that the Liquor Board recommends that any excess revenue generated at the Liquor Store in 2020 above and beyond the budgeted transfer to the City's General Fund be transferred to the Liquor Capital Improvement Fund with the amount to be determined following the 2020 audit. This recommendation is being made to plan for the future of the liquor store and to put money away for such. The Council discussed the transfer and what amount it would be. The amount would not be known until the 2020 audit is completed.

Motion was made by Herzberg to transfer any excess revenue generated at the Liquor Store in 2020 above and beyond the budgeted transfer to the City's General Fund be transferred to the Liquor Capital Improvement Fund with the amount to be determined following the 2020 audit. Seconded by Soine and unanimously failed.

This will be brought back to the City Council for consideration after the audit.

CITY AUDITOR, SCHLENNER, WENNER & CO. – REVISED ARRANGEMENT LETTER

A revised Arrangement Letter for auditing services due to the need for a single audit from Schlenner, Wenner & Co. was presented. The City has received more than $750,000.00 in federal money (airport hangar and CARES); therefore, the single audit is necessary.

Motion was made by Soine to approve the revised Arrangement Letter between the City of Paynesville and Schlenner, Wenner & Co. Seconded by Brick and unanimously carried.

WATER TREATMENT PLANT RE-PIPING PROJECT

DeWolf gave a verbal report on the project. Payment Estimate No.2; payable to Rice Lake Construction Group in the amount of $26,600.00 for work completed through January 29, 2021 was presented.

Motion was made by Herzberg to approve Payment Estimate No.2; payable to Rice Lake Construction Group in the amount of $26,600.00. Seconded by Thielen and unanimously carried.

2019 STREET PROJECT

DeWolf gave a verbal report on the project. Payment Estimate No. 13 (final); payable to Voss Plumbing & Heating of Paynesville, Inc. in the amount of $31,459.40 for work completed was presented.

Motion was made by Soine to approve Payment Estimate No. 13 (final); payable to Voss Plumbing & Heating of Paynesville, Inc. in the amount of $31,459.40. Seconded by Herzberg and unanimously carried.

WASTEWATER TREATMENT FACILITY (WWTF) IRRIGATION SYSTEM EXPANSION PROJECT – STAMER PROPERTY

DeWolf gave a verbal report. A letter from Bolton & Menk, Inc. was presented. The next step in the process is to advertise for bids for the irrigation improvements and to commence construction upon the discharge permit being finalized. The Public Works Board will be reviewing this prior to the City Council meeting.

Motion was made by Herzberg to authorize advertisement for bids for the Wastewater Treatment facility (WWTF) Irrigation System Expansion Project. Seconded by Soine and unanimously carried.

RENTAL ORDINANCE NO. 21, 3RD SERIES

The proposed Rental Ordinance No. 21, 3rd Series was presented. In addition, the current Stearns County Rental Ordinance that the City of Paynesville currently falls under to address complaints and for enforcement was presented. The minutes from the January 19, 2021 (which

includes minutes from the Rental Ordinance Public Hearing) Planning Board meeting was also presented.
At the January 19, 2021 Planning Board meeting there were 9 landlords in attendance and the City received written correspondence from 5 other landlords. The Planning Board made the following motion:

> Motion was made by Fuchs to deny the proposed Rental Ordinance and recommend such to the City Council. Seconded by Soine and passed 4:1 (Christman, yes; Fuchs, yes; Soine, yes; Hellermann, yes; and Westlund, no).

If the Council approves the proposed Rental Ordinance No. 21, 3rd Series a summary will be prepared and brought to the Council for consideration on February 22, 2021 along with proposed license application, license fees, and inspection fees.

Spooner gave a brief report on the public hearing stating persons in attendance had the most concern with Article 3 and the least concern with the density of rentals. Stearns County's ordinance is not a licensing ordinance. The other concern was the unknown fees that would be imposed and the expense to bring rentals up to code where older buildings would be too expensive to fix. Furthermore, the ordinance may push landlords to sell their property; therefore, less rentals and more homes for sale. This could be both good and bad. Without licensing rentals, it would be near impossible to track rentals for the sake of density. It was further stated that the majority of the landlords are local people and do take care of their properties. If the City continues to use the Stearns County ordinance it takes the City out of the picture.

> **Motion was made by Herzberg to deny the Rental Ordinance No. 21, 3rd Series. Seconded by Soine and unanimously carried.**

INFORMATIONAL

Reinke reviewed the following informational items: PSN – Increase In Fees Notification, February & March Meeting Schedules, Liquor Store Report, West Central Sanitation January Garbage Rates, January Police Department Report, and Stearns County Environmental Office Notice of Public Hearing.

There being no further business, Reinke adjourned the meeting at 6:44 p.m.

_____

Tariq Al-Rifai, City Administrator