MINUTES
REGULAR CITY COUNCIL MEETING

MARCH 14, 2012

Mayor Jeff Thompson called the meeting to order at 6:00 p.m. Council members present were Jeff Bertram, Jean Soine, Dennis Zimmerman, and Gene Beavers (6:02 p.m.). Others present were Renee Eckerly, City Administrator; Ron Mergen, Public Works Director; Jennifer Welling, Administrative Assistant; Stephanie Hormann, Cable Coordinator; Chuck DeWolf, Bolton & Menk, Inc.; Bill Spooner, City Attorney; Tom Peck, Mark Eckerly, Chuck Buggs, Bob Dickhaus, Stearns County Sherriff's Department; Deacon Jim Schultzenburg, Doris Wendlandt, Tom Wendlandt, Ellary Prentice, Press; Joe Schmitz, Ruth Heitke, Delane Burr, Bob McDaniel, and Trisha Williams.

The Pledge of Allegiance was recited.

Deacon Jim Schultzenburg led the Council in prayer. Council members gave verbal activity reports.

Lieutenant, Bob Dickhaus, Sherriff's Department gave a Police Department report including the following:

- Introduction of himself
- Appointment/tasks through the transition
- Crime statistics
- Meeting with officers and defining the County's role
- Expectations of officers
- Pilot transcription program

CONSENT AGENDA

Motion to approve the minutes from the following meetings: April 18, 2011 Joint Planning Board, January 1, 2012 Budget & Finance Committee, January 3, 2012 Liquor Board, February 8, 2011 Wellhead Protection Committee, January 17, 2012 EDAP Board, February 13, 2012 Special Liquor Board, and July 21, 2011 Special Environmental Committee.

Motion to approve the following vouchers:

2/22/12	#83750-83751	$ 13,877.62
2/23/12	#83752-83753	$ 3,306.86
	#83754-83761	$ 5,049.67
	#83762	$ 1,379.15
	#83763-83768	$ 1,447.76
	+ACH	$ 6,310.10
2/24/12	#83769	$ 61.11
3/8/12	#83774-83775	$ 3,250.37
	#83776-83781	$ 4,280.65
	#83782	$ 1,540.09
	#83783-83787	$ 1,354.43
	+ACH	$ 6,469.05
3/9/12	#83788-83842	$ 53,908.36
Total		$102,235.22
Payroll:		
2/23/12	#83746-83749	$ 3,901.07
	Direct Deposit	$ 11,085.19
	Direct Deposit	$ 3,831.20
3/8/12	#83770-83773	$ 3,407.62
	Direct Deposit	$ 10,941.74
	Direct Deposit	$ 4,290.66
ACH:	1/12 Liquor Sales Tax	$ 5,443.00

Motion to turn the bill for Aaron Bobby Phipps in the amount of $350 over to Bullseye Collection Agency, Inc. for collection.

Motion to write-off the uncollectible bill to Roy Tutsch in the amount of $350.

Motion to approve the Farm Lease, Cash Rent Agreement between the City of Paynesville and Duane Mages.

Motion was made by Bertram to approve the Consent Agenda. Seconded by Beavers and unanimously carried.

FIRE DEPARTMENT – APPOINTMENT OF FIRE FIGHTERS

Dodi Greeley and Timothy Miller have successfully completed their required training and one year probationary period.

Motion was made by Zimmerman to approve the appointment of Dodi Greeley and Timothy Miller as fire fighters to the Paynesville Fire Department. Seconded by Soine and unanimously carried.

ZIMMERMAN COMPUTER CONSULTING

Resolution 2012-14 and Consulting Agreement between the City of Paynesville and Zimmerman Computer Consulting to provide computer consulting services for the City at the rate of $40.00 per hour not to exceed $5,000.00 for 2012 was presented. This is the same rate as 2011.

Motion was made by Soine to approve Resolution 2012-14 and Consulting Agreement between the City of Paynesville and Zimmerman Computer Consulting. Seconded by Bertram and unanimously carried (Zimmerman abstained).

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

PAHCS – ANNUAL REPORT – COMMUNITY WIDE INFORMATIONAL MEETING

An invitation to the PAHCS Community Wide Informational Meeting to be held on at the Paynesville High School Auditorium on Tuesday, April 17, 2012 at 7:00 p.m. with a light dinner from 6:00 p.m. – 7:00 p.m. was presented. The Council discussed still having a PAHCS representative attend a City Council meeting. It was suggested to request the City's hospital representative come to a City Council meeting.

PAYNESVILLE AREA WATER FESTIVAL

The information regarding the Water Festival to be held on Friday, March 12, 2012 was presented.

Motion was made by Zimmerman to approve the Paynesville Area Water Festival Budget with the expenses of $705.00 to come out of the Water – Wellhead Protection Fund. Seconded by Bertram and unanimously carried.

COMPOST SITE KEY FEE WAIVER REQUEST – ROSE CENTER

A Compost Site Key fee ($100.00) waiver request from the ROSE Center was presented. The City Council has approved this on an annual basis in the past.

Motion was made by Bertram to approve waiving the Compost Site Key Fee in the amount of $100.00 for the ROSE Center. Seconded by Beavers and unanimously carried.

POLICE CHIEF – HIRING PROCESS

The Public Safety Committee has reviewed and discussed the Police Department Transition including the vacancy and hiring process. After a lengthy discussion the Committee made the following motion:

Motion was made by Wendlandt to recommend starting the hiring process with posting advertisement for 30 days and keep the Stearns County Sheriff's Department in place for now to do the CLEO duties and then it can be decided whether to appoint from within for Chief for an Interim period or start going through applications and recommend such to the City Council. Seconded by Liestman and unanimously carried.

Motion was made by Bertram that the City Council not disband the Paynesville Police Department and that the Council keep the Paynesville Police Department enforce as it is today. Seconded by Zimmerman.

It was stated that the reason is that there has been discussion that the Police Department is being disbanded, but to keep the three officers as we have them today and not disband the Police Department.

Thompson asked for clarification as the department is today; not by personnel, but by numbers.

It was further stated to keep the department as three full-time officers and one part-time and to not disband the department.

The motion unanimously passed.

It was stated that this would give more reassurance as the Council works through the process. There needs to be brainstorming on how we can best do this. Examine options, look at the budget; is a Chief the best solution. Thompson reported on the Public Safety Committee meeting. The Committee recommends proceeding with hiring a chief and wants to get the process started. Eckerly interjected that hiring will take about 2 – 3 months. The budgetary implications were expressed as a concern including advertising, salary structure. This is a unique position and there are still several unknowns; including the Township Contract.

Sergeant or Senior Officer positions were mentioned. It was stated that the City should explore options, maybe there's a better way. It was further clarified that there is no interest to disband the Police Department. It was stated that one can appreciate looking at options, but the time line is 6 months minimum. The City has a system in place that has worked, let's get the ball rolling.

Thompson recessed the regular City Council meeting at 6:30 p.m. for the Credit Union Variance Pubic Hearing.

Thompson reopened the regular City Council meeting at 6:36 pm

VARIANCE – CREDIT UNION

The Central Minnesota Credit Union owners of 1025 Main St. W. (future Credit Union site) have submitted a 2-part Variance Application. They wish to construct a 6,875 square foot building with ATM and drive thru business lanes. The overhang for this drive thru lane will not meet the 20 foot rear (south) setback, but will rather be 15 feet; therefore, the need of a 5 foot rear setback variance. The second part is they wish to erect a sign on the east side of their property. They cannot meet the 300 foot set back from an intersection, but will rather be 110 feet; therefore, the need of a 190 foot intersection variance. The Planning Commission has reviewed this and recommends approval. The application, Report & Recommendation, and Grant of Variance were presented.

Motion was made by Bertram to approve the Grant of Variance. Seconded by Zimmerman and unanimously carried.

POLICE CHIEF – HIRING PROCESS CONTINUED

The pay scale was reviewed. It was suggested that the Policies & Procedures Committee review this and there are still union contracts pending. The Budget & Finance Committee will be reviewing this on Monday night. It was agreed that before the City posts the position, the City needs to know what they want. It was further stated that the Public Safety Committee Meeting Minutes are not correct and a number of errors were stated. The Public Safety Committee Meeting Minutes will go back to the Committee for clarification.

Thompson recessed the regular City Council meeting at 6:45 p.m. for the City Street, Drainage and Utility Vacation Public Hearing.

Thompson reopened the regular City Council meeting at 6:48 p.m.

POLICE CHIEF – HIRING PROCESS CONTINUED

It was stated that the pay scale would not be Kortlever's wages, but rather a different amount based on the criteria. The statement in Shannon Schroeder's email "current pay scale for Chief" needs to be clarified. How to advertise the position and the time line was mentioned. Eckerly stated that the job description would be on the March 17th agenda and then to Council on March 28th, the position posted in April then an additional 2 – 3 months before a person is in place. It was stated that there are working pieces in place, the pressure is off, let's wait an additional two weeks before action is taken. It was interjected that it would be okay to wait and look at things, but not to drag this out and rework the entire department. It was also stated that it wouldn't hurt anything to get started now; didn't see the point in waiting.

Dickhaus agreed that it is important to take the time you need to make good decisions and that there is not pressure by the Sherriff's Department. The City can take as long as needed as long as you keep moving toward a goal.

It was asked what questions does the City want answered. There was a brief mention on the Officer's vacation hours and if some leniency would be given regarding losing them if the officer is maxed out during this transition time.

Thompson recessed the regular City Council meeting at 7:00 p.m. for the Queen Bee's Alley Vacation Public Hearing.

Thompson reopened the regular City Council meeting at 7:28 p.m.

POLICE CHIEF – HIRING PROCESS CONTINUED

It was suggested that a working session be scheduled just for this subject. It was further suggested to email questions to Eckerly that anyone may have so that answers may be found. The Officers were encouraged to email or visit with the Council members regarding their thoughts.

ALLEY VACATION PETITION – QUEEN BEE'S BAR & GRILL

This was tabled from previous City Council meetings. An Alley Vacation Petition submitted by Tom & Doris Wendlandt, Queen Bee's Bar & Grill. For your consideration is Resolution 2012-03 Vacating Alley Upon Petition Of A Majority Of Abutting Land Owners. Attorney Spooner has drafted a Combined Access License Agreement and Public Right-Of-Way Easement Agreement which is included for informational purposes only at this time. Also attached for your information is a copy of the survey of the parking lot. Findings include:

1. Moving the power pole at Hwy. 23 and the alley approach; when the City looked at this previously it would have cost $7,000.00.
2. Verify the alley widths; the alley right of way is 16 feet, it may not appear to be 16 feet because the power poles are in the right of way making it appear narrower.
3. Traffic count; would cost $700.00.
4. MnDOT and Stearns County will consider moving the alley on Hwy. 23, with the understanding that the entrance be 32' wide and the existing entrance be closed.
5. Whoever owns the access will need to pay for and apply for the permit.
6. County meeting is scheduled for March 27, 2012.
7. The access will have to comply with new ADA requirements.
8. MN Liquor Control Board had determined that the liquor patio must be contiguous to the building.
9. The utilities in the alley are: Windstream telephone and CenterPoint Energy both underground and Xcel Energy above ground.

The CenterPoint Energy and Windstream's response to the vacation were presented.

Motion was made by Soine to vacate the 50' of the alley as petitioned and that the alley would not be vacated until the following is completed:

1. **The closing on the parking lot property is completed**
2. **Access License Agreement is signed by all parties**
3. **The removal of the house and garage owned by Tom and Doris Wendlandt is done**

The City will then open the alley behind Jimmy's Pizza so that persons may use that to exit onto Hwy. 23 until the new access is constructed.

Seconded by Zimmerman.

Tom Wendlandt questioned why it is so important to remove the house. Thompson said due to safety and aesthetic reasons.

The motion unanimously carried.

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

ELECTION – REDISTRICTING

Resolution 2012-13 Reestablishing Precincts And Polling Places was presented. The State has finished the redistricting and the City is required to pass a resolution reestablishing the precinct and polling place. The changes from the redistricting are:

Congressional District:	Old 6th District	New 7th District
Legislative District:	Old 14B District	New 13A District

Motion was made by Bertram to approve Resolution 2012-13 Reestablishing Precincts And Polling Places. Seconded by Zimmerman and unanimously carried.

(Please see Attachment #3 – the above-referenced Resolution which has been made a part of these minutes.)

COUNCIL SALARIES

The City Council froze their salaries on August 25, 2010 (effective with ordinance No. 128, 2nd Series) for two years which ended 12-31-2011. Therefore, the Council salaries would revert back to the following:

Mayor	$4,266.08 per year	Council Members	$3,199.55 per year

The Council discuss whether to continue the freeze and the 2013 & 2014 salaries. If the freeze is continued or an increase is approved for 2013 & 2014 an ordinance amendment would be presented at the next City Council meeting for consideration. It was stated that the simple approach would be to get what the employees get. Spooner interjected that the option is to either stay frozen or to increase to what was previously passed.

Motion was made by Zimmerman to freeze Mayor & Council Member salaries for 2012. Seconded by Bertram and passed 4:1 (Thompson, yes; Soine, yes; Bertram, yes; Zimmerman, yes; and Beavers, no).

Spooner stated that the ordinance approving such will be on the next City Council agenda.

Motion was made by Bertram to approve an Ordinance to freeze the salaries. Seconded by Zimmerman and unanimously carried.

(Please see Attachment #4 – the above-referenced Ordinance which has been made a part of these minutes.)

It was suggested that the Budget & Finance Committee review the wages for 2013 and 2014.

TAX-FORFEITED PROPERTY

The tax-forfeited property that has been approved to be sold at public auction by the Stearns County Board was presented. The appraised value is $100.00. The property is identified as 70.38641.0027.

Motion was made by Bertram to approve the classification as made by the Stearns County Board, the sale of such lands according to law, and authorize the City Administrator and Mayor to sign the documents. Seconded by Zimmerman and unanimously carried.

MPCA – FORMER MIDTOWN SERVICE STATION CLEAN UP

Email from Laurie Kania, MPCA was presented. A MPCA meeting has been set up for 10:00 a.m. March 19, 2012 at City Hall. Not a public meeting, based on MPCA.

HWY. 55 & COUNTY ROAD 181

DeWolf reported:

- Continue working with MNDOT
- Potential funding for this year
- West bound adjustment is justified
- East bound adjustment is still being determined

(Beavers left at 7:50 p.m.)

AIRPORT - SLURRY SEAL PROJECT

This project was bid last summer and the apparent low bid from Struck & Irwin Paving, Inc. DeForest, WI was approved on July 13, 2011 in the amount of $131,595.00. However, the project was not started last year and the contractor agreed to hold the bid price and do the project this spring. To date the contracts between the contractor and City have not been signed. The attached Grant Agreements & Resolutions for Airport Improvements were on the October 26th, November 7th, and November 28th, 2011 City Council meetings with no action taken due to the funding/payback issues with the State. Please see the attached emails from Representative Larry Hosch and Emily Boyer of behalf of Senator Fischbach. The Grant Agreements for Airport Improvements and Resolution 2012-15 between MnDOT and the City of Paynesville were presented for consideration.

DeWolf reported that the contracts have not been signed and asked if the project is contingent on the State or can it move forward. Mergen stated that the project is needed. It was suggested to move forward and continue to press for the money from the State. DeWolf asked if he should proceed as written or not.

> **Motion was made by Soine to approve Grant Agreements for Airport Improvements Excluding Land Acquisition and Resolution 2012-15 Authorizing To Execute MnDOT Grant Agreement For Airport Improvement Excluding Land Acquisition between MnDOT and the City of Paynesville and authorize the City Administrator and Mayor to sign the documents. Seconded by Zimmerman and passed 3:1 (Thompson, yes; Zimmerman, yes; Soine, yes; and Bertram, no).**
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> **(Please see Attachment #5 – the above-referenced Resolution which has been made a part of these minutes.)**

POLICE – JOINT POWERS LAW ENFORCEMENT AGREEMENT WITH PAYNESVILLE TOWNSHIP (CONTRACT) & JOINT POWERS AGREEMENT WITH STEARNS COUNTY

The Paynesville Township Contract (Joint Powers Agreement) was pulled from the February 21, 2012 City Council agenda. The Budget & Finance Committee has reviewed this and recommends approval. Chief Kortlever discussed with the Township the changes of the retro-active increase in the per hour back to January 1, 2012, the contract cycle being on a calendar year, the new formula based on actual Police Department costs and to contract for 1080 hours at $32.83 per hour, and they were in agreement to these changes at that time. Mayor Thompson will be attending the Township meetings on March 12th and 13th, 2012. At the Special City Council meeting on March 1, 2012; Resolution 2012-11 Authorizing Execution of Agreement was approved allowing the Stearns's County Sheriff's Department to provide over site of the Paynesville Police Department and act as the Chief Law Enforcement Officer (CLEO), effective March 4, 2012. This was approved with the understanding that there would be a Letter of Understanding drafted to outline the discussion and concerns of the meeting. The County has drafted a Joint Powers Agreement replacing the Letter of Understanding. The Stearns County Commissioners will be reviewing this Agreement on March 13, 2012. Spooner expressed the League of Minnesota Cities' concerns. There was not action taken on the Township Contract.

Motion was made by Bertram to approve the Joint Powers Agreement Between The City Of Paynesville And Stearns County. Seconded by Zimmerman and passed 3:1 (Thompson, yes; Bertram, yes, Zimmerman, yes; and Soine no).

VACATION OF STREET, UTILITY & DRAINAGE EASEMENTS – OPPORTUNITY PARK PLAT

City Council previously passed Resolution 2012-09 noting its interest in vacating pursuant to M.S.A. §412.851 a portion of Meridian Street in Diekmann Business Park Plat Two and the vacation of a portion of the boundary drainage and utility easements contained in Lots 1 and 2, Block 1, Diekmann Business Park Plat Two, described as follows, to-wit:

a) That portion of Meridian Street commencing at a point on the South line of Main Street lying approximately 50 feet South of the Northwest corner of the Southeast Quarter, Section 17, Township 122, Range 32, and proceeding South along Meridian Street to the North line of the street originally platted as First Street South and now known as Veteran's Drive; and

b) The boundary drainage and utility easements dedicated as part of the plat of Diekmann Business Park Plat Two, and lying on the Westerly, Northerly and Southerly boundaries of Lots 1 and 2, Block 2, Diekmann Business Park Plat Two, but reserving and retaining the utility easements dedicated as part of Diekmann Business Park Plat Two on the Easterly boundary of said Lots 1 and 2, Block 1, Diekmann Business Park Plat Two (see attached map showing locations).

The street and utility easements need to be vacated before the plat can be recorded at the County.

Resolution 2012-12 Vacating A Portion Of Meridian Street And Certain Drainage And Utility Easements In Diekmann Business Park Plat Two and Notice Of Completion Of Proceedings For Vacating Of A Public Way Consisting Of A Portion Of Meridian Street And Certain Drainage And Utility Easements In Diekmann Business Park Plat Two were presented.

Motion was made by Bertram to approve Resolution 2012-12 Vacating A Portion Of Meridian Street And Certain Drainage And Utility Easements In Diekmann Business Park Plat Two. Seconded by Zimmerman and unanimously carried.

(Please see Attachment #6 – the above-referenced Resolution which has been made a part of these minutes.)

Motion was made by Bertram to approve Notice Of Completion Of Proceedings For Vacating Of A Public Way Consisting Of A Portion Of Meridian Street And Certain Drainage And Utility Easements In Diekmann Business Park Plat Two. Seconded by Zimmerman and unanimously carried.

WASTEWATER TREATMENT FACILITY RE-SCOPING PROJECT

DeWolf reported:

- Project is continuing to move forward
- Revising the SIU Agreements with AMPI and Master Mark Plastics

CITY ADMINISTRATOR PERFORMANCE EVALUATION - SET CLOSED SESSION

Per Renee Eckerly, City Administrator's Performance Evaluation Narrative a Closed Session between the City Council and City Administrator was requested for April 11, 2012. Other dates to meet are: Monday, March 26, 2012 at 6:00 p.m. or to hold the closed session during the Regular City Council meeting on Wednesday, March 28, 2012.

Motion was made by Bertram to set a Closed Session regarding the City Administrator's Performance Evaluation for April 11, 2012 at the end of the meeting. Seconded by Zimmerman.

The following were requested:

1. The City Attorney be in attendance at the Closed Session.

2. The City Attorney receive the evaluation, rebuttal and all exhibits.
3. The Council receive a copy of all the documents to date written or verbal that have been shared with Eckerly; including the completed evaluation.

Spooner interjected that private data shouldn't leave the building. There was some discussion regarding private data. Eckerly asked what is the time frame for the data requested. It was stated from January 2012 to April 11, 2012.

The arbitration process by AFSCME 65 was questioned. Eckerly reported that Pamela has been contacted to get arbitrators.

Eckerly further reported that the audit will be presented in April.

INFORMATIONAL

Thompson reviewed the following informational items: February Police Department Reports, Overtime Reports, West Central Sanitation February Garbage Rates, Paynesville Vision Group Meeting – March 15, 2012, January Liquor Revenue & Expenses, City Attorney Expenses, Incode Financial Reports, and Capital Improvement Breakdown Report (emailed to Council) a copy can also be obtained from the accounting department at City Hall, and Union – Police Transition Email.

There being no further business, the meeting was adjourned at 8:09 p.m.

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Renee Eckerly, City Administrator