MINUTES
CITY COUNCIL MEETING

JULY 27, 2020

Mayor Jeff Thompson called the meeting to order at 5:59 p.m. Council members present were Shawn Reinke, Neil Herzberg, Len Gilmore, and Alicia LaBeau. Others present were Belinda Ludwig, City Treasurer/Acting City Administrator; Ron Mergen, Public Works Director/Acting City Administrator; Bill Spooner, City Attorney with Spooner & Glenz; Chuck DeWolf, Bolton & Menk, Inc.; Kristin Leither, Social Media Specialist; Paul Wegner, Police Chief; Bill Ludwig, Liquor Store Manager; Andrew Soine, Fire Chief; and Matt Dickhausen.

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

Ron Mergen reported on the following:

- Clean Up & HHW collection went well last Saturday
- Last Concert in the Park went well and reservations for the park are still coming in
- Seal Coat Project is now complete
- All Airport hangars are rented except for hangar no. 6 which is reserved for daily rental

Belinda Ludwig reported the following:

- Primary elections are coming up with filing for mayor and council positions starting Tuesday July 28, 2020
- Training for the new MNDrive system is starting for Motor Vehicle
- City Administrator position has been posted

Motion to approve the following meeting minutes: June 8, 2020 Public Works Board; October 21, 2019 Safety Board; June 15, 2020 Planning Board; July 18, 2020 Policies & Procedures Board; March 11, 2020 Policies & Procedures Board; March 4, 2020 Special Policies & Procedures Board; April 8, 2020 Policies & Procedures Board; March 4, 2020 Special Library Board; May 4, 2020 Library Board; April 20, 2020 Library Board; March 30, 2020 Special Library Board; January 7, 2020 Budget & Finance Board; and July 15, 2019 Safety Board.

Motion to approve the following vouchers:

7/13/2020	Payroll Checks	101432-101437	$36,317.72
7/13/2020	Payroll Direct Deposit		$29,867.97
7/13/2020	Payroll Taxes	101438-101440	$1,999.36
7/13/2020	Payroll - Fed		$9,694.82
7/13/2020	Payroll - State		$1,919.10
7/13/2020	Payroll - TASC		$284.60
7/13/2020	Payroll - PERA		$8,762.16
7/13/2020	Payroll - Further		$2,128.11
7/13/2020	Payroll - Health Partners		$5,032.54
7/13/2020	Payroll - AFLAC		$215.09
7/13/2020	Payroll - Delta Dental		$185.40
7/13/2020	Payroll - Lincoln		$868.80
7/21/2020	Vouchers	101441-101499	$266,597.99
7/24/2020	Vouchers	101500	$13,725.00

		Total:	$377,598.66

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

GAMBLING PERMIT – NORTH FORK CROW RIVER DOUBLE BEARDS NWTF

North Fork Crow River Double Beards NWTF applied to hold a raffle at Queen Bee's Bar & Grill, Inc. on August 22, 2020. This is a date change from their original application that was for March 21, 2020, but due to COVID-19 had to be postponed. Their MN Lawful Gambling LG220 Application For Exempt Permit was reviewed.

Motion was made by Gilmore to approve the MN Lawful Gambling LG220 Application For Exempt Permit for the North Fork Crow River Double Beards NWTF to hold a raffle at Queen Bee's Bar & Grill, Inc. on August 22, 2020. Seconded by Reinke.

It was agreed that they will have to comply with COVID-19 guidelines including restaurants not exceeding 50% capacity.

The motion unanimously carried.

FIRE DEPARTMENT – CENTRACARE PHYSICAL SERVICES CONTRACT

Andy Soine gave a verbal report. This Contract is necessary due to CentraCare and the Affordable Care Act. This will be an annual Contract that states the City will pay for the necessary items at the listed amounts. This would be for new and existing firefighters as they must pass a physical every other year. DOT physicals are not necessary.

Changes from last year include:
Pre-Employment Physical $165.00 to $169.25 increased $4.25 per person x 25 = $106.25
Spirometry, etc. $110.25 to $115.75 increased $5.50 per person x 25 = $137.50
Electrocardiogram, etc. $26.00 to $27.75 increased $1.75 per person x 25 = 43.75
Hepatitis B Adult Dose (3 doses) $254.25 to $261.90 increased $7.65 per person
Each Dose $34.25 stayed the same as last year per administration per dose

Motion was made by LaBeau to approve the Contract for firefighter physicals between the City of Paynesville and CentraCare Health Paynesville effective July 1, 2020. Seconded by Herzberg and unanimously carried.

2020 PRIMARY & GENERAL ELECTIONS – COVID-19 PREPAREDNESS PLAN

A COVID-19 preparedness plan was prepared by Kristin Leither for the use of the Paynesville Area Center for the Primary and General elections detailing how to handle elections during the pandemic.

Motion was made by LaBeau to approve the 2020 Primary & General Elections – COVID-19 Preparedness Plan. Seconded by Reinke and unanimously carried.

POLICE DEPARTMENT – PURCHASE OF A 2020 SQUAD CAR

Wegner gave a verbal report. Earlier this month Squad 1, the 2015 Ford Interceptor, struck a deer and sustained significant damage. The insurance company has deemed the vehicle a total loss and will be paying to replace the vehicle according to the City's insurance policy. Current estimates are that insurance will pay approximately $24,000.00 for the vehicle. Insurance will also cover the costs of equipment that will not transfer, decals, and the installation of the new equipment into a new squad car.

The department would like to take the insurance funds and replace the current K9 squad car with a new 2020 Chevrolet Tahoe. The current K9 squad would remain intact and would go to the back-up/training squad which is driven by Wegner. The squad would provide a back-up squad in the event something happened to the new K9 squad.

There are a few 2020 Chevrolet Tahoe's that would be available for immediate purchase through Gilleland Chevrolet and the City would be able to have it on hand within a week or so. Equipment would need to be purchased for the vehicle which could delay being road ready for approximately 4 to 6 weeks.

The quote from Gilleland Chevrolet is $38,733.00. The same vehicle under state bid from Ranger Chevrolet is $35,747.47 and would take months before the City would have it on hand.

Paul stated that the City would pay around $20,000.00 out of pocket for a new vehicle and equipment installation. This would be the portion that the insurance would not cover. He also stated the need for four squads so that there is a backup car in case of an emergency.

Council members asked what local dealers had to offer. Paul had stated that he had not looked locally because squad cars are usually specially ordered and are rarely readily available like they currently are at Gilleland Chevrolet.

Motion was made by LaBeau to approve the purchase of a 2020 Chevrolet Tahoe from Gilleland Chevrolet unless the same vehicle can be purchased through a local dealership for the same price. Seconded by Gilmore.

The motion unanimously carried.

DEPUTY REGISTRAR AGREEMENT

Belinda Ludwig gave a verbal report. This agreement between the City of Paynesville and Minnesota Department of Public Safety Drive and Vehicle Services, among other things, appoints Melinda Chance as the Deputy Registrar.

Motion was made by Reinke to approve the Deputy Registrar Agreement between the City of Paynesville and Minnesota Department of Public Safety Drive and Vehicle Services. Seconded by LaBeau and unanimously carried.

ORDINANCE NO. 14, 3RD SERIES – TOBACCO CHAPTER 10

Spooner reported that this is a part of the City's business regulation, which was inadvertently omitted from the recodification of our City Code. It was intended that this would be part of the City Code, but it was left out accidentally by the codifiers. This ordinance needs to be amended due to, effective August 1st, the Legislature has changed some provisions of the statute on tobacco, primarily changing the age from 18 to 21, along with a few other minor things.

Regarding the administrative penalty provision, Bill Spooner has used the dollar figures that were in the old ordinance. That is an ordinance that was adopted in the 1990s and those fine amounts may be out of touch with current standards. The second half of that paragraph regarding the fine for underage sales is a new statutory provision that was put in, and that may reflect more what other cities are doing on the other administrative fine provisions. Spooner thought that he would leave it to others to decide whether those fines should be increased similarly to the fines for underage sales. Discussion was held on the fine amounts. Reinke stated that this ordinance amendment was recommended for approval from the Policies & Procedures Board. The Council agreed to proceed with posting the amendment.

ORDINANCE NO. 16, 3RD SERIES – TOBACCO CHAPTER 20

Spooner asked Council members to review Ordinance No. 16, 3rd Series regarding offenses, minors, and tobacco and tobacco related products. This amendment is being completed to comply with the Legislature changes effective August 1st. The Council decided to proceed with the amendment, which will be posted for 10 days and then brought back to Council for formal approval.

ALLEY IMPROVEMENTS

The downtown alley study was reviewed by the Public Works Board on July 13, 2020:

- Alley 1 between Stearns Ave. and Augusta Ave. at the cost of $30,298.00
- Alley 2 Between Augusta Ave. and Washburne Ave. South of James St. at the cost of $21,489.00
- Alley 3 between Washburne Ave. and Lake Ave behind City Hall at the cost of $39,383.00
- Alley 4 between Washburne Ave. and Lake Ave. behind the Library at the cost of $52,428.00
- Alley 5 Between Washburne Ave. and Augusta Ave. behind AMPI at the cost of $75,960.00

The condition of each alley was noted with the alley behind the library (alley 4) as the worst and alley 5 by AMPI as the alley in the best condition. There is approximately $150,000.00 remaining in the 2019 Street project fund that can be used to fund this project. It was suggested to complete alleys 1 through 4 at a cost of $143,598.00 and leave alley 5 for a future project, as funds are currently not available. A motion was unanimously carried by the Public Works Board to reconstruct alleys one through four for the above mentioned prices.

Motion was made by Gilmore to reconstruct the alleys one through four at an estimated cost of $143,598.00 with funds to come from the 2019 construction project. Seconded by LaBeau and unanimously carried.

FIRE DEPARTMENT – FITNESS CENTER BIDS

Soine reported that the Fire Department is looking to incorporate a fitness center into their Wellness Program Plan. The Council had heard from Paynesville Snap Fitness representatives at an earlier meeting. Matt Dickhausen was in attendance to give a report and answer questions about the amenities at the Paynesville Fitness Center.

Motion was made by LaBeau to approve the quote from Paynesville Fitness Center. Seconded by Gilmore and unanimously carried.

AIRPORT FLY IN

Mergen reported that the Air Show has been cancelled due to COVID-19 regulations. They will still have a BBQ and rides down at the Airport for visitors. The Airport Board is now planning for next year's Airshow on August 7, 2021.

COVID-19

Belinda Ludwig presented the updated Motor Vehicle and City – Critical Sector Business COVID-19 Preparedness Plans which have been revised to address the new requirement to wear masks. This is being updated so that if the state requires an amended plan to address the masks they will be approved and ready to send.

Motion was made by Reinke to approve the updated Motor Vehicle and City – Critical Sector Business COVID-19 Preparedness Plan. Seconded by Herzberg.

Wegner reported that due to new regulations the Night to Unite event has been suspended for this year. They may look into holding it in the fall, but will wait to see how the pandemic develops.

The motion unanimously carried.

SAVESTATIONS

LaBeau has been in communication with Kaitlyn Gilk. According to Gilk, she has the funds available to put up a SAVESTATION at City Hall in the next coming week or so. She is asking if the City Council has agreed to that. She would like to put one on the City Hall as soon as she can. In addition to City Hall, Kaitlyn would also like to place one on the Fire Hall or at Gazebo Park and Community Park.

Motion was made by Gilmore to allow the placing of a SaveStation on Paynesville City Hall, Fire Hall or Gazebo Park, and Community Park. Seconded by Reinke and unanimously carried.

Ms. Gilk is also asking if the City has agreed to cover the annual cost of $360 per year for the 5 stations after the first two years. This means after 2 years it will cost $1,800 to cover the 5 stations.

Motion was made by Gilmore to cover the costs of $1,800.00 per year (starting in year 3) for the 5 SaveStations and create a budget line item for it in 2022. Seconded by Reinke and unanimously carried.

ORDINANCE NO. 17, 3RD SERIES – WIND & SOLAR ENERGY REGULATIONS

On March 23, 2020 the City Council passed a moratorium on the commercial solar and wind energy farms. This was done so that regulations could be drafted on these farms including, but not limited to, location (zone), size, definitions, decommission, clean up and fencing/screening.

The Planning Board has reviewed this, held a public hearing and recommends approval with the amendment to include residential wind energy as a conditional use. This amendment has been added to the attached proposed Ordinance No. 17, 3rd Series and summary for such. Please note that commercial wind energy farms would be prohibited within the City limits due to the size, shadow flicker and bird kill cleanup. Commercial solar energy farms are permitted as a conditional use in the I-1 or I-2 industrial districts only. This ordinance amendment has been posted for 10 days.

Motion was made by Herzberg to approve Ordinance No. 17, 3rd Series and its official summary for publication. Seconded by Reinke and unanimously carried.

ORDINANCE NO. 18, 3RD SERIES – C1 & C2 STORAGE

In March the Planning Board discussed a possible vacant building ordinance. An excerpt of minutes from that meeting included:

- Most of Paynesville's buildings are not vacant, people are living in the upstairs or the building are being utilized for storage.
- The taxes are being paid on the property.
- The City has existing ordinances for nuisance issues including mowing grass, snow removal, etc.

The City Council agreed that maybe the buildings are not vacant as taxes are still being paid, lawn and snow removal still completed and water/sewer fees still paid. On June 8, 2020 the City Council approved a moratorium on storage buildings, Ordinance No. 15, 3rd Series. The Council wants the Planning Board to consider amending the C1 Central (Downtown) Business District to prohibit storage facilities, but allow them in C2 Highway Commercial District where most of them exist currently. As you will see in C2 it states all permitted uses in C1; therefore, the need to amend C2. In addition, since the ordinance codification, staff has been meeting to amend the entire Chapter 36 Zoning Ordinance. Since these two zones are being considered for amendment it would make sense to make those suggested changes as well.

The Planning Board has reviewed this and held a public hearing; however, approval of the Ordinance failed with a 2:2 vote and one member abstaining. This ordinance amendment has been posted for 10 days.

Motion was made by Reinke to approve Ordinance No. 18, 3rd Series. Seconded by LaBeau and passed 4:1 (Thompson, yes; Reinke, yes; Gilmore, yes; LaBeau, yes; Herzberg, no).

Motion was made by Reinke to approve Official Summary for Ordinance No. 18, 3rd Series. Seconded by LaBeau and passed 4:1 (Thompson, yes; Reinke, yes; Gilmore, yes; LaBeau, yes; Herzberg, no).

INFORMATIONAL

Thompson reviewed the following: July West Central Sanitation Garbage Report, August & September Meeting Schedules, June 2020 Investments, Liquor Revenue & Expenses, Incode Financial Reports, City Attorney Report, and Capital Improvement Breakdown Report – all reports can be found on the City's website.

Thompson recessed the regular City Council meeting at 7:07 p.m. Thompson opened the Closed Meeting at 7:10 p.m. to discuss an offer on real property located at 810 Diekmann Dr., Lot 4, Block 2 Diekmann Business Park Plat Two Parcel No. 70.38748.0030.

Thompson closed the Closed Session and re-opened the Regular City Council meeting at 8:17 p.m.

Motion was made by LaBeau to direct the City Attorney to contact Steel Turkey LLC with a counter offer of $350,000.00 over four years at 2% interest. $50,000.00 down payment, $50,000.00 a year for four years, and $100,000.00 at the end of year four. Seconded by Thompson and passed 4:1 (Thompson, yes; Reinke, yes; Herzberg, yes; LaBeau, yes; Gilmore, no).

There being no further business, Thompson adjourned the meeting at 8:20 p.m.

Ron Mergen, Acting City Administrator