MINUTES
CITY COUNCIL MEETING

OCTOBER 24, 2022

Mayor Shawn Reinke called the City Council meeting to order at 6:00 p.m. Council members present were Jean Soine, Neil Herzberg and Paul Thielen. Megan Brick was absent. Others present were Tariq Al-Rifai, City Administrator; Jennifer Welling, Administrative Assistant/Zoning Administrator; Ron Mergen, Public Works Director; Chuck DeWolf, Bolton & Menk, Inc., Bill Spooner; Spooner & Glenz; Andy Soine, Fire Chief; Cody Haakonson, Police Officer; Mike Stern, Firefighter; Brad Hagfors, Franklin Outdoor Advertising; Janell Bullard, Paynesville Schools; Don Williamson, West Central Sanitation; and Gary Lang.

The Pledge of Allegiance was recited.

Council members gave verbal activity reports.

Al-Rifai mentioned the following:

- Attended the Policies & Procedures, EDAP and Trail Board meetings
- Attended a lodging/tourism board meeting
- Met with the Friends of the Library and architects regarding the proposed library

Mergen gave a report and highlighted the following:

- Curbside leaf pickup is Saturday
- Parks are being winterized
- Fishing pier will be closed early November
- Street sweeping is being conducted
- Trail Board will be applying for 2 grants
- Monitoring well data is included in the information section of the agenda

PUBLIC OPEN FORUM

No one was in attendance for the Public Open Forum.

CONSENT AGENDA

Motion to approve the minutes from the following meetings: October 10, 2022 City Council, September 12, 2022 Public Works Board, September 14, 2022 Policies & Procedures Board, September 19, 2022 Planning Board, September 20, 2022 EDAP Board, September 23, 2022 Special EDAP Board, September 26, 2022 City Council and August 22, 2022 City Council.

Motion to approve the following vouchers:

10/20/2022	Payroll Direct Deposit		$ 46,690.97
10/20/2022	Payroll Taxes	105405-105409	$ 3,641.97
10/20/2022	Payroll - Fed		$ 11,368.07
10/20/2022	Payroll - State		$ 1,588.96
10/20/2022	Payroll - TASC		$ 64.60

10/20/2022	Payroll - PERA		$ 8,586.71
10/20/2022	Payroll - Further		$ 2,508.75
10/20/2022	Payroll - Health Partners		$ 5,276.77
10/20/2022	Payroll - AFLAC		$ 229.52
10/20/2022	Payroll - Met Life Dental		$ 184.13
10/20/2022	Payroll - Lincoln		$ 1,092.52
10/24/2022	Vouchers	105410-105464	$ 642,322.85
		Total	$ 723,555.82

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

FIRE DEPARTMENT – STEARNS COUNTY MUTUAL AID AGREEMENT

Andy Soine, Fire Chief presented the proposed Stearns County Mutual Aid Agreement and Resolution 2022-32 Approving The Stearns County Mutual Aid Agreement For Use Of Fire Personnel And Equipment.

Motion was made by Thielen to approve Resolution 2022-32 Approving The Stearns County Mutual Aid Agreement For Use Of Fire Personnel And Equipment and the Stearns County Mutual Aid Agreement. Seconded by Herzberg and unanimously carried.

Fire Department Report

Andy Soine highlighted the following:

- House fire training was held on Saturday with a number of other fire departments
- Served approximately 839 people at the meal fundraiser
- Selling $50.00 raffle tickets for the cash drawing to be held on December 9th
- Department is advertising to hire 3 new fire fighters

SCHOOL OPERATING REFERENDUM – JANELL BULLARD

Janell Bullard, Paynesville Area Schools Superintendent presented the operating referendum question that will be on the ballot in November. Bullard highlighted the following:

- Held a number of community forums, but they have not been well attended
- There are two questions on the ballot:
    - Increase to $460.00 per pupil
    - Increase per pupil for inflation annually
- There are also school board seat elections
- A commonly asked question has been, how properties are taxed

Reinke asked how we compare to other districts. Bullard stated that Paynesville, at $460.00, is below the average. Reinke also asked what would happen if the referendum is not passed. Bullard stated there would be a reduction in teachers, larger class sizes, elimination of the block schedule, increase in the walking distance to school, and increase in sports and activity fees. 77% of the budget is salaries and benefits; while 3% of the budget is sports and activities. Reinke

questioned the effect of the referendum on the average household. Bullard stated that for a market value of $175,000.00 it would equal an increase of $125.00 per year or $10.00 per month. Thielen reminded everyone to support of the referendum. Herzberg interjected that the State is not keeping up the funding in regards to inflation; if it was, the funding per pupil would be $1,100.00 per pupil. What happens if the government would fully fund schools? Bullard stated that the levy could be revoked. Bullard added that 78% of the schools funding comes from the State, 9% from the Federal government and 13% from local revenues, taxes and fees. Soine added that this referendum is replacing an existing referendum that is set to fall off.

CONDITIONAL USE PERMIT – MAGES - BILLBOARD

The City of Paynesville has received a Conditional Use Permit (CUP) Application from Diane Mages, owner of 104 Spruce St., Paynesville, MN. The Conditional Use Permit Application is to consider an off-premise sign (billboard) which is only allowed by a Conditional Use Permit. This lot is vacant and zoned C-2 Highway Commercial. The parcel number is 70.39244.0010 and described as the northerly 15' of vac service road lying adjacent to Lot 1, Block 1, Project 55 Addition. Brad Hagfors, Franklin Outdoor Advertising was in attendance to answer any questions. The Planning Board has reviewed this, held a public hearing and recommends approval.

Based upon said Report and Recommendation and the findings of fact contained therein, the City Council hereby

__X___ a) grants a Conditional Use Permit to allow the placement of an off-premises sign (billboard) on the above-described premises under the provisions of City Code Chapter 36, Section 36-53 and Chapter 36, Section 36-10(l)(2)(ii) subject to the following conditions:

1. The sign may be an illuminated sign but lighting shall be focused upon the sign and full lighting for the sign shall not directly reflect light into any public street or residence.

2. The sign shall be positioned, shaped and colored in a manner which will prevent the sign from interfering with any traffic sign or signal.

3. The sign must be not less than 30 feet from the intersection of Highway 55 and Lake Avenue and the intersection of Lake Avenue and Spruce Street. The plan shows the sign being 178.1 feet from Lake Avenue and Highway 55 and 195.87 feet from the intersection of Lake Avenue and Spruce Street. The sign shall be located consistent with this plan.

4. The sign shall be located within the boundaries of the lots and meet required setbacks from property lines. The plan proposes the sign to be 31 feet from the west lot line, 15.2 feet from the east lot line and 31.5 feet from the north lot line and 138.4 feet from the front lot line. The sign shall be located consistent with this plan and will thereby meet all setback requirements including the requirement that the sign must be 5 feet from all property lines.

5. The sign must not exceed 400 square feet per side or 35 feet in height. The sign as proposed would be 381 ft, 6 inches per side and 30 feet in height. The sign shall be erected consistent with these plans.

6. The sign shall be erected on a monopole.

7. Work on the sign must be completed in accordance with the current electrical code and a separate permit from the building official must be obtained prior to

placement of the sign. The sign must be constructed in a manner so that the source of light does not interfere with the public right-of-way or residential property.
8. A sign permit must be obtained upon approval of the Conditional Use Permit and before placement of the sign.
9. The sign shall not be a changeable copy sign.

OR

_____ b) denies the application for the grant of a Conditional Use Permit to allow the placement of an off-premises sign (billboard) on the above-described premises.

Motion was made by Soine to approve the Application For Conditional Use Permit for Diane Mages. Seconded by Herzberg and unanimously carried.

Reinke recessed the Regular City Council meeting at 6:35 p.m. and opened the Certifying Past Due Bills Public Hearing.

CERTIFICATION OF PAST-DUE GARBAGE AND MOWING BILLS PUBLIC HEARING

A list of people with delinquent garbage and mowing bills to be certified to the County Auditor to be put on the real estate taxes was reviewed.

Gary Lang was in attendance to question how the City can do this as he bought a forfeiture and this outstanding bill was not found in his title search. The bill was incurred prior to his purchase. Spooner interjected that utility searches will not normally show up on a title search. Annually the City certifies the outstanding bills. Williamson stated he would visit with Mr. Lang regarding the outstanding bill.

There being no further comments or questions, Mayor Reinke closed the public hearing at 6:45 p.m. and re-opened the Regular City Council meeting.

CERTIFICATION OF PAST-DUE GARBAGE AND MOWING BILLS

Motion was made by Herzberg to certify delinquent garbage and mowing bills to the County Auditor to be put on the real estate taxes. Seconded by Soine and unanimously carried.

GARBAGE, RUBBISH & RECYCLABLES PICKUP AGREEMENT – WEST CENTRAL SANITATION

The Garbage, Rubbish & Recyclables Pickup Agreement between the City of Paynesville and West Central Sanitation was presented. This is a 7 year contract, effective January 1, 2023. Reinke noted that he wondered why the City did not go out for bids, but West Central Sanitation provides excellent service with reasonable rates and minimal complaints.

Williamson noted the increases are due to staffing shortages and fuel prices. There was some discussion on the recycling rates.

Excerpt of minutes from the September 29, 2022 Special Environmental Board meeting minutes:

WEST CENTRAL GARBAGE CONTRACT

Williamson reviewed the proposed contract changes and reasons for the changes:

- Recount disposal costs - Stearns County has to send waste to the Pope/Douglas energy incinerator; they have forecasted a 4% annual increase.
- Inflation - CPI index shows a 23.2% increase from November of 2015 (last renewal) to July of 2022.
- Commercial truck driver shortage and costs - The average wage went from $18.50 to $24.50 per hour.
- Equipment costs - Trucks and dumpsters are being quoted at a 30-35% increase for 2022. The availability of new trucks is not accessible; so they have to use and maintain the old trucks longer; which after 7 to 10 years the trucks are shot.
- Fuel Costs – increase in all fuels.

The proposed contract rate increases will be:

- Recycling 70 cents per month
- Trash collection $2.00 per month
- This would be a 16.5% adjustment overall
- Also a CPI clause to adjust annually, but not to exceed 4%

Example Monthly Billing:		**Proposed**	**Current Rate**
35-gallon trash with	once-per-month	$ 5.82	$3.82
Recycling service		$ 6.50	$5.80
City surcharge		$ .50	$.50
Solid Waste Tax		$ .57	$ 37
Monthly Total		$ 13.39	$10.49
35-gallon trash with	every-other-week	$ 8.07	$6.07
Recycling Service		$ 6.50	$5.80
City Surcharge		$ .50	$.50
Solid Waste Tax		$ .79	$.79
Monthly Total		$ 15.86	$12.96
35-gallon trash with	once-per-week	$ 12.12	$10.12
Recycling Service		$ 6.50	$5.80
City Surcharge		$ .50	$.50
Solid Waste Tax		$ 1.18	$.99
Monthly Total		$ 20.30	$17.41
65-gallon trash with	once-per-week	$ 14.92	$12.92
Recycling Service		$ 6.50	$5.80
City Surcharge		$ .50	$.50
Solid Waste Tax		$ 1.46	$1.26
Monthly Total		$ 23.38	$20.48
95-gallon trash with	once-per-week	$ 17.12	$15.12
Recycling Service		$ 6.50	$.80
City Surcharge		$ .50	$.50

Solid Waste Tax	$ 1.67	$1.26
Monthly Total	$ 25.79	$22.68

Members questioned the possibility of more recycling as some residents could fill the recycling bin weekly. Williamson noted that West Central could add a 2nd recycling cart for an additional $3.00 per month as an option. To try to hold costs down, Williamson also suggested going to quarterly billing, members all agreed. Residents can still pay monthly if they want.

It was noted that the City costs have also increased and the Budget and Finance Board recommended to increase the franchise fee to $1.00 per month.

In a general discussion, it was questioned if garbage service ever let out for bids. Trash collection is one of several areas where a City is not required to bid the service and the reason we have not is:

- We have had excellent service with West Central Sanitation.
- The rates are reasonable and fair.
- If we bid it out another company may low ball the cost and we end up with poor service and constant complaints.
- With West Central, we know we are going to get good service and very few complaints.

Motion by Aas to approve the Garbage Contract with West Central with the changes of:

- Residential recycling; add a second cart for $3.00
- Go to quarterly billing
- City franchise fee will go to $1.00

and recommend such to the City Council. Seconded by Koshiol and unanimously carried.

The Environmental Board has reviewed this and recommends approval.

Motion was made by Soine to approve the Garbage, Rubbish & Recyclables Pickup Agreement between the City of Paynesville and West Central Sanitation. Seconded by Herzberg and unanimously carried.

VARIANCE – ROBERT & JENNIFER MROZEK

The City has received a Variance application from Robert and Jennifer Mrozek of 416 South Street, Paynesville, MN 56362, to allow the construction of an accessory building with a height of 18 ft 2 inches. The placement of this structure as proposed will require a variance from the strict requirements of City Code Chapter 36, Section 36-5 entitled “General Requirements” and (c) thereof regulating accessory buildings which provides in relevant part that “accessory buildings are further limited not to exceed over one story or 16 feet in height to the highest point of the roof’s surface.” Therefore, the structure will require a height variance of 2 feet 2 inches from the requirements of the zoning ordinance.

The property is located at 416 South Street, Paynesville, MN 56362 with Tax Parcel Number 70.39146.0000 and is legally described as follows:

Lot 2, Block 1, Meyer's Morningside Addition, Stearns County, MN

They will meet other general zoning and setback requirements, but as proposed, the structure does not meet the height restriction of the zoning ordinance, exceeding the 16-foot height limitation.

Motion was made by Herzberg to set the Mrozek Variance Public Hearing for Monday, November 28, 2022 at 6:15 p.m. Seconded by Thielen and unanimously carried.

ORDINANCE NO. 39, 3RD SERIES AMENDING TOBACCO ADMINISTRATIVE PENALTIES

Please review the attached Ordinance No. 39, 3rd Series Amending Tobacco Administrative Penalties. The changes bring the City's ordinance in line with the State Statute on fees and penalties. The Policies & Procedures Board has reviewed this and recommends approval. Council consented to proceed with this ordinance; it will be posted for the required 10 days and brought back for formal approval.

POLICE LELS UNION – MOU – CONTRACT EXTRA DUTY PAY

The MOU from the LELS Union regarding officers working third party contract events to be paid at one and one-half times their base rate for hours worked at the event regardless of any other hours worked in that pay period was presented. The Policies & Procedures Board as reviewed this and recommends approval.

Motion was made by Soine to approve the Memorandum of Understanding between the City of Paynesville and Law Enforcement Labor Services, Inc. #489. Seconded by Thielen.

Herzberg expressed his concern with pricing ourselves out of doing the events. Haakonson stated that most events want licensed peace officers and not security companies.

The motion unanimously carried.

PUBLIC WORKS - SCADA SYSTEM COMPUTER SOFTWARE UPGRADE

Mergen reported that when the City purchased the SCADA system it was recommended not to purchase a support program, so in turn the City has never received program updates. Prices for program updates are as follows:

- Automatic systems $10,891.00
- Preferred controls $50,880.00

If the City was to go with a new company, it would require a new license, software program etc. and starting from scratch.

Excerpt of minutes from the October 10, 2022 Public Works Board meeting:

SCADA

When the City purchased the SCADA system it was recommended not to purchase a support program, so in turn the City has never received program updates. Prices for program updates are as follows:

- Automatic systems $10,891.00
- Preferred controls $50,880.00

It was noted that for another company to come in, it will require a new license, software program etc. and starting from scratch.

> Motion was made by Herzberg to approve the quote from Automatic Systems in the amount of $10,891.00 and recommend such to the City Council. Seconded by Quade and unanimously carried.

The Public Works Board has reviewed this and recommends approval.

> **Motion was made by Herzberg to approve the quote from Automatic Systems in the amount of $10,891.00. Seconded by Soine.**
>
> **Motion was amended by Herzberg to include with the funds to come equally out of the water and sewer equipment reserve funds. Seconded by Soine and unanimously carried.**

CONFLICTS OF INTEREST POLICY & REPORTING FORM

Al-Rifai reviewed the proposed Conflicts of Interest Policy and Reporting Form which is being brought forward from the State's Department of Administration for managing the LCCMR water contamination project. Excerpt of minutes from the October 11, 2022 Special Policies & Procedures Board meeting:

> CONFLICT OF INTEREST POLICY
>
> Al-Rifai and Reinke prepared this draft policy based on the requirement of the State's Department of Administration for managing the LCCMR water contamination project. The policy outlines conflict of interest between the City, council members and external parties.
>
> > Motion was made by Herzberg to approve the Conflict of Interest Policy as drafted and recommend such to the City Council. Seconded by Al-Rifai and unanimously carried.

The Policies & Procedures Board has reviewed this and recommends approval.

> **Motion was made by Soine to approve the Conflicts of Interest Policy and Reporting Form. Seconded by Thielen and unanimously carried.**

PAYNESVILLE DMV – EXTENDING SERVICE HOURS

Al-Rifai reported that staff are looking for ways to increase revenues by extending the motor vehicle service hours to accommodate those who cannot make it in during regular business

hours. It is being proposed to start extending hours until 6:00 p.m. on Mondays effective November 14, 2022. Excerpt of minutes from the October 11, 2022 Special Polices & Procedures Board meeting:

DMV EXTENDED HOURS

Members discussed the idea of having the DMV open later in the evening or on a Saturday to help serve customers who are unable to make it to the DMV during current working hours. Members invited Deputy Registrar Chance to give her thoughts and input.

Chance said Litchfield is open on Saturdays and to her knowledge none of the surrounding DMV offices are open later in the evening. Reinke asked if she and other DMV staff would have a preference and be willing to work on a Saturday or an evening. Chance said that the preference is for an evening, especially since Litchfield is already open on Saturdays.

Days and times were discussed, and it was agreed to have the DMV open until 6:00 p.m. on Mondays. We will test this for one year with quarterly reviews to see how it's working out. Al-Rifai said to ensure this is successful, we need to have a marketing campaign to bring awareness to this. Welling and Chance suggested advertising in 5 local papers, social media and sending out letters to the largest employers within a 30-mile radius. The new Monday evening hours will begin on November 14th, which would give us enough time to advertise and send out the letters.

Motion was made by Herzberg to expand the Paynesville DMV working hours to 6:00 p.m. on Mondays beginning on November 14, 2022 and recommend such to the City Council. Seconded by Al-Rifai and unanimously carried.

The Policies & Procedures Board has reviewed this and recommends approval.

Motion was made by Herzberg to extend the Paynesville Motor Vehicle hours to 6:00 p.m. on Mondays, effective November 14, 2022 for a period of one year with quarterly reviews. Seconded by Soine and unanimously carried.

JOB DESCRIPTIONS

Reinke presented the revised job descriptions for the following positions:

- City Administrator/EDAP Director
- Deputy Registrar
- Customer Service Specialist
- Social Media Specialist/Clerical Assistant

The changes made were not significant enough to be repointed. There is no change in grade, pay or benefits. Some of the changes include Leither taking the Council meeting minutes. It was asked when this would go into effect. It was stated, typically upon passage. The Policies & Procedures Board has reviewed these and recommends approval.

Motion was made by Soine to approve the City Administrator/EDAP Director, Deputy Registrar, Customer Service Specialist and Social Media Specialist/Clerical Assistant revised job descriptions. Seconded by Herzberg and unanimously carried.

SET SPECIAL CITY COUNCIL WORKING SESSIONS

In the past, the Council has held a spring and fall (typically in April & October) Community Working Session with Paynesville Area Schools, Paynesville Township and CentraCare. At the October 20, 2022 Special City Council Working Session it was indicated that an additional Working Session be held prior to the end of the year. Proposed dates were presented for both meetings (one starting at 5:00 p.m. or 5:30 p.m. and the other at 6:00 p.m.).

Motion was made by Soine to set the Special City Council Community Working Session for Wednesday, November 30, 2022 at 5:00 p.m. and a Special City Council Working Session for Wednesday, November 30, 2022 at 6:00 p.m. Seconded by Thielen and unanimously carried.

ORDINANCE NO. 38, 3RD SERIES – ADDING DIVISION ON MARIJUANA

Ordinance No. 38, 3rd Series adding a division regulating marijuana was presented. A summary for such ordinance and application were also presented. An application fee will need to be determined. The ordinance has been posted for the necessary 10 day posting requirement. The Council discussed license fees.

Reinke recessed the Regular City Council meeting at 7:26 p.m. Reinke re-opened the Regular City Council meeting at 7:30 p.m.

The Council further discussed an acceptable license fee of $500.00.

Motion was made by Soine to approve Ordinance No, 28, 3rd Series, Official Summary of Ordinance No. 38, 3rd Series, Application for Cannabinoid Establishment License with the application fee of $500.00 for an annual license. Seconded by Thielen and passed 3:1 (Reinke, yes; Thielen, yes; Soine, yes; and Herzberg, no).

ICE ARENA ADMINISTRATIVE EXPENSE COMPENSATION FOR OPEN ICE TIME

This was tabled from the October 10, 2022 City Council meeting so that historic information could be brought forward for discussion. Please review the following:

- Letter of Understanding dated August 1998
- Termination of Joint Powers Agreement for the Paynesville Regional Airport Commission dated August 2002
- Contract Between the City of Paynesville and Paynesville New London – Spicer Hockey Association dated May 2004
- Agreement For Modification of Contribution to the Administrative Expense at the Township Ice Arena and for Compensation of the Hockey Association for Services at the Compost Site dated February 2010

- Proposed Agreement for Contribution to the Administrative Expense at the Township Ice Area for the Compensation of the Hockey Association for Providing Open Ice Time for the City of Paynesville in the amount of $5,500.00 for 52 hours during the 2022 – 2023 season

The Council discussed in length how expensive this agreement is for the amount of ice time that is provided to residents versus other amenities that the City provides. The City already helps pay for and maintain the outdoor ice rink. The City has been paying the $5,500.00 for years when the contract had expired. The City has no idea how many residents even use the facility during the limited open skating. The City is also offering sledding now as another amenity.

Motion was made by Herzberg to deny the Agreement for Contribution to the Administrative Expense at the Township Ice Area for the Compensation of the Hockey Association for Providing Open Ice Time for the City of Paynesville. Seconded by Soine and unanimously carried.

MPCA – PFAS – MOU

Mergen reviewed the email and MOU from MPCA regarding the PFAS sampling. Excerpt of minutes from the October 10, 2022 Public Works Board meeting:

PFAS

The MPCA has modified the MOU in which MPCA will now pay for the first year of sampling. The second year as written will be the City's responsibility. Members noted the City should not be responsible for paying for the sampling and discussed modifying the MOU where we will approve it, but not pay for the second year of testing. As drafted today, this program is voluntary and participating cities can cancel the program at any time with a 90 days' notice. Therefore, if the City participates this year and there is no funding next year from the MPCA, the City can cancel testing in the second year.

Motion was made by Peschong to approve the MOU with the MPCA; contingent upon MPCA paying all the testing costs for both years and recommend such to the City Council. Seconded by Quade and unanimously carried.

The Public Works Board has reviewed this and recommends approval of the MOU; contingent on MPCA paying all the testing costs for both years.

Motion was made by Herzberg to approve the Memorandum of Understanding Between your Minnesota District or City and the Minnesota Pollution Control Agency for the Statewide Monitoring of Per- and Polyfluoroalkyl Substances (PFAS). Seconded by Soine and unanimously carried.

SALE OF PROPERTY RESOLUTION – SCHRAMEL

Resolution 2022-33 regarding the sale of property to Kathleen Schramel was presented.

Motion was made by Soine to approve Resolution 2022-33 regarding the sale of property to Kathleen Schramel and authorize the Mayor and City Administrator to sign the necessary closing documents. Seconded by Thielen and unanimously carried.

INFORMATIONAL

Mayor Reinke reviewed the following: September 2022 Investments, Liquor Revenue & Expenses, Incode Financial Reports, City Attorney Report, Capital Improvement Breakdown Report and Budget vs Actual Year to Date Chart – all reports can be found on the City's website, Motor Vehicle & Building Reports, Stearns County Environ. Office – Vacation/Short Term Rental Ordinance, Mediacom – Program Changes & Rate Increases, Monitoring Well Data Report, West Central October Garbage Rates and September Police Department Report.

There being no further business, Mayor Reinke adjourned the Regular City Council meeting at 6:58 p.m.

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Tariq Al-Rifai, City Administrator