

Approved Minutes
2/11/2014

NEW YORK MILLS CITY COUNCIL
REGULAR MEETING
January 14, 2014
4:30 p.m.

CALL TO ORDER AND DETERMINATION OF A QUORUM

The regular meeting of the New York Mills City Council was called to order at 4:36 p.m. in the Council Chambers of the City Hall Building at 28 Centennial 84 Dr., New York Mills, Minnesota, all members of the Council having been notified of the meeting and the business to be transacted.

Members Present Gerber, Maki, Roder, Schik, and Hoaby

Members Absent None

Staff Present City Clerk Darla Berry, Administrative Assistant Cheri Kopveiler, Administrative Assistant Jenny Geiser, Police Chief James Van Schaick, Liquor Store Manager Kim Hoban, Public Works Director Roger Salo, Fire Chief Ryan Brasel, Fire Relief Treasurer/Volunteer Firefighter Matt Geiser.

Guests Present Treasurer Al Berube, City Attorney Dennis Happel, EOT Focus Reporter Connie Vandermay, Matt Carlson of Heiman/Rosenbauer South Dakota, LLC, Jessica Gibble, Christopher Jaeger, Jade Berube and Bob Schielman of Apex Engineering.

Call to Order The meeting was called to order at 4:36 p.m. A quorum was present.

Approval of Minutes A motion to approve the Minutes from the December 10, 2013, regular meeting and public hearing was made by Schik and seconded by Hoaby. The motion carried without a dissenting vote.

Updates/Consent Agenda – Mayor Gerber noted the updates and consent agenda items. Berry and Salo both commented on the first item discussing a grant opportunity to acquire a solar set up for electric service such as street lighting or city hall use. It was mentioned that normally Liquor Store Manager Hoban attends the MMBA Boot Camp, but it is also for Council Members and others with the City if they have an interest in attending. Council Member Hoaby asked about the Leadership Conference for Experienced Officials. He stated he would talk to City Clerk Berry in more detail about his interest in attending.

A motion was made by Roder and seconded by Maki to approve the consent agenda. The motion carried without a dissenting vote.

Department Reports

Liquor Store Report – Kim referred to her written report. She compared the full year earnings for 2013 to those for 2012, with a net decline of just over \$10,000. She noted that in 2013 we made an extra \$6,000 in transfers out to help pay for the elevator rehab in 2013, which accounts for part of this \$10,000 drop. As outlined in Kim's report, she checked into an option for have food available (other than pizzas) from the Oven Baked Eats sales rep. It was agreed that it sounded good but was a very costly proposal. After some discussion, the Council directed Hoban to check into some competing oven options and perhaps look at something different, such as the brats/roisserie type products. Kim agreed to do so. She mentioned that the doorware between on and off sale could be closed off and the bar extend to the wall, which would provide extra space for installing some new food preparation equipment and

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work space. Kim included a copy of a new Policies and Procedures Manual for staff that she prepared and had the Liquor Store Committee review. She asked that the Council approve it.

A motion was made by Hoaby and seconded by Maki to approve the Liquor Store report, the new Policy Manual, and the Boot Camp training for Manager Hoban. The motion carried without a dissenting vote.

Fire Department Report – Relief Association Treasurer Matt Geiser addressed the Council. He explained that the Relief Association would like to see the Council approve an increase in the annual payment amount for firefighters pension. It has been \$1250 per year of service since 2009. They are asking for an increase to \$1400. This will bring our department up closer to the level paid by other fire departments in this area. This pension fund helps the department attract and keep volunteers, and gives them motivation to stick it out to earn that pension. Some area departments pay as much as \$1850 or \$1900. Also, the volume of fire and emergency calls has increased, from 108 a few years ago to 207 in 2013.

A motion was made by Hoaby and seconded by Maki to approve the increase in the pension payment from \$1250 per year of service to \$1400 per year of service. The motion carried without a dissenting vote.

Fire Chief Ryan Brasel stepped forward to address the Council. Ryan provided an overview of 2013, noting the major green valley fire earlier in the year. He presented the bid received for an order of a new pumper/tanker in 2014. The bid was higher than the hoped for cost of \$260,000, but still a good price at \$278,548. The capital accounts currently total about \$160,000, but will increase to an estimated \$215,000 by delivery in the fall of 2014. The Raffle Fund may be able to help out. Costs are going up by about 8% per year, so it is advantageous to order the truck now.

A motion was made by Hoaby and seconded by Schik to approve the bid of \$278,548 from Rosenbauer South Dakota, LLC, for a new Pumper/Tanker. The motion carried without a dissenting vote.

Brasel discussed an idea to seek some grant funds for a possible south side fire station. He'd like the council's approval for Berry and Brasel to work together on this. He noted if we didn't get a grant, we'd not be able to pursue the City could not afford this expense. The new hall would be pretty basic, just a place to have some emergency supplies and vehicles available to use in the event there is a major train crossing issue, it would give us the ability to respond quicker to any need on the south side or for townships located to the south.

A motion was made by Hoaby and seconded by Roder giving Brasel and Berry the authority to proceed with a grant application. The motion carried without a dissenting vote.

Brasel also discussed the current and upcoming equipment needs. The pumper tanker and tanker we are currently using are about 35 and 29 years old now. He discussed some other needs he foresees in the next several years. He noted that our rescue truck is a 1999 version. While it doesn't need replacement yet, it is the most used piece of equipment and so gets a lot of use. We have gone from 110 to about 210 calls in a year, with much of the increase on the rescue/EMT side. Prices on fire vehicles are seeing about an 8% per year increase. He noted that for many years the capital contribution amount has been fixed at the \$15,000 per year from the City and matched by the Townships as a group, totaling \$30,000 annually. With the increase in costs, it takes longer and longer to have sufficient funds for new equipment. He asked the Council to agree to an increase in its contribution to \$20,000 per year beginning in 2015.

A motion was made by Roder and seconded by Schik to increase the amount of the City's annual capital contribution to the Fire Department from the current level of \$15,000 to the higher amount of \$20,000 beginning in 2015. The motion carried without a dissenting vote.

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A motion was made by Hoaby and seconded by Maki to approve the fire department report as presented. The motion carried without a dissenting vote.

Police Report – Chief Van Schaick addressed the Council. He asked the Council to approve his vacation request for February 28 through March 7. Jim stated that he will be attending two weeks of DARE training later this month. He noted that department equipment is in good working order. Deer Creek hours are now being logged. The Department recently underwent a review with a representative of the LMCIT. The findings are included in the packet under new businesses. One of their items provides guidance on making some arrangements for our officers to be able to use the school's fitness equipment outside of the center's normal hours. He briefly commented on how the call time is going. A few calls were taken during call shifts. Council Member Schik asked for a copy of the Police Policy Manual. Van Schaick agreed to provide that. Jim provided an overview of the Department's call volume. Council Member Roder asked about the increased numbers of traffic stops, and questioned whether that he resulted in fewer accidents or any other benefits to the community. Jim indicated that he could not clearly link any correlation. He noted that our increase in call volume was about 19-20%, and this increase matched the overall increase in call volume for Otter Tail County. He noted there had been a total of 1050 vehicle accidents in the County, and that the county's ranking jumped from 13th to 8th for traffic related deaths. Roder again noted that the increase in traffic stops is notable, and questioned why this was needed. Jim responded that he went to training about a year ago that made him become more aware of whether our officers were consistently enforcing traffic laws, and he found that we had not been consistent. So, he adopted a more consistent stance on traffic law enforcement. He noted that more recently the department was looking for more warnings and fewer citations to be issued. Council Member Schik also agreed that he noted the increasing trend. He asked whether the department had a target they were shooting for, and whether we could expect to see the increasing trend stop and level off. The Chief responded with comments about the growth in the community and noted that there was a decline in crime in the last year, which is a positive trend. Berry noted that the population estimates have actually shown a decline, but that it does seem true that there has been an increase in employment and thus traffic in town as people travel here for jobs. Council Member Roder noted that she doesn't want to see the trend in traffic stops continuing on an upward trend. There was some discussion about the new seat belt signs. More discussion about the significant increases in traffic stops ensued. Van Schaick noted that about one in three stops results in citations, the rest are generally warnings. Jim noted that his officers are polite, not aggressive, when they make these stops. They focus on education of the public. Schik asked about the squad cameras, and Jim responded that they are in the budget for 2014.

A motion was made by Hoaby and seconded by Roder to approve the Police Report. The motion carried without any dissenting vote.

Utilities Report – Roger Salo addressed the Council. He referred to item 2 which lists the various bids on a 4-wheeler. He asked to include power steering. The lowest bid is for \$7949 for a Polaris, with a bid of \$8199 for a Yamaha as the next closest bid.

A motion was made by Hoaby and seconded by Maki to approve the bid for the Polaris from the Bluffton dealer, with an addition of a windshield and helmet which was not included in the bid amount. The motion carried without a dissenting vote.

Roger noted that township resident Rich Ericksrud's had inquired about the City providing natural gas to his new shed, out there where Gilman turns into a township road. Some discussion ensued about the policy implication of this and how the cost of such an extension would be paid. Salo noted that we will be replacing the mower that is used out on the highway ten overpass, which has pretty steep slopes that need mowing. This is in the budget. Roger has talked to the new John Deere owners near Wadena about a tractor, but has not received a quote yet. He may also check into getting a quote for a Kubota brand tractor from a dealer in Alexandria. Brunswick uses this brand and they are pretty nice tractors. Our part time mechanic Ron Jacobson also had a positive opinion of Kubota tractors. Roger next mentioned that he wants to defer the sand filter rehab budgeted for 2013 at an amount of \$45,000 as he said there is a more pressing need to upgrade the electrical radio controls for the water tower/city hall/water plant.

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There were many problems with this system last summer, and we need to get it replaced which he estimates will cost about \$14,500. So, we would use the \$45,000 budgeted for the sand filter system instead for the new radio controls, and look at the sand filter project the following year. He noted that we should start budgeting annually for rehab of other system components each year, including some wastewater and water pumping station upgrades and gas plant needs also.

A motion was made by Hoaby and seconded by Roder to switch the sand filter budgeted funds towards the repairs needed for the electrical radio controls for the water system, and defer the sand filter project to 2015, with the estimated cost for the repairs to be in the range of \$14,500. The motion carried without a dissenting vote.

Roger also mentioned a motor bearing that was in need of repairs. Next he invited the council to watch some video of the recent televising of sewer lines as part of the preparation for designing the 2015 utility / street rehabilitation project. Roger also noted some upcoming training events that Neil, Dave, and Roger would be attending over the next couple of months.

A motion was made by Roder and seconded by Schik to approve the Utility Report as presented and to approve the staff to attend the training as requested. The motion carried without a dissenting vote.

Library Report – Julie was absent but included a report in the packet. The report requested that the council approve the appointment of Gunard Heikkila and Council Member Betsy Roder to the Library Board.

A motion was made by Hoaby and seconded by Schik to approve the appointment of the two new Library Board members as requested. The motion carried without a dissenting vote.

EDA Report – EDA member Schik reported that a meeting was held on December 17, 2013. All loans were current with the exception of those to Sugar Creek Woodworking. The group discussed the recent building purchase and sale of city lot to Warner Garage Door owner William Warner. Betsy questioned the plans for a garage door on the front of the building facing Main. The Zoning Ordinance is silent and so the permit request was approved. Jason noted that the door to be installed will be a high quality and nice looking door. There was not a feasible alternative anywhere else on the building. The location of the door will eventually require relocation of a utility pole. The EDA group discussed a visionary process further. A joint housing study may be done with the City of Perham, and a grant is being pursued to help pay for that study. Under other business the group noted that there appears to be a new owner of the Bake Shoppe taking over.

A motion was made by Hoaby and seconded by Maki to approve the EDA Report. The motion carried without a dissenting vote.

Zoning Report – Jason Schik noted that there had been no meeting recently. Cheri put together a summary of 2013 permits, which was passed around. The report reflected permits for improvements totaling \$181,000 in 2010, for \$1.8 million in 2011, for \$3 million in 2012, and for \$4.8 million in 2013. All agreed that this was a very good trend. A meeting is scheduled for January 28, 2014.

A motion was made by Hoaby and seconded by Roder to approve the Zoning Report as presented. The motion carried without a dissenting vote.

Administration Report – Berry noted various items on her Administration Report. Item 6 is regarding the transfers made each year into the Capital Projects Reserve Fund. She will go through all departments based on the final full year 2013 results. If there are budgeted but unspent funds, these are transferred to the other fund so that they can be accessed when needed. If this isn't done, they just become part of the cash balances, and become hard to identify.

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A motion was made by Schik and seconded by Hoaby to approve the Administration Report as presented. The motion carried without a dissenting vote.

Public Forum

At 4:58 p.m., Mayor Gerber asked whether anyone present wished to address the council. Jessica Gible was present, but she responded that her item of interest was later on the agenda and she would just wait for that discussion. Matt Geiser asked whether people in town liked the new stop sign. The mayor reported that more did like it than not based on those she had heard from. The Public Forum was closed at 5:01 p.m.

Public Requests – none.

Old Business

Letter from D. Nicholson – Mayor Gerber jumped to this item first under Old Business. She asked City Attorney Dennis Happel for his response. Happel opined that the letters seems pretty non-responsive. It states that he does not plan to make it habitable. He learned that Finn Creek doesn't seem interested in its historical value. Happel doesn't think it really is a historical building, rather, it is just an old building. It is a nuisance and a public safety hazard according to Happel. He plans to write another letter to Nicholson telling him that the response is not sufficient. Zoning aspects were discussed, and Cheri noted that the zoning ordinance may allow "museums". Gible asked if the City were fining Nicholson for the continued noncompliance. Dennis again stated that he will write another letter and we may start the civil process. General consensus support for Dennis's plan of action was noted.

Approval of Staff Job Descriptions – Berry noted that there were a few minor changes made on the job descriptions for Police Officer and the one for Cheri's job, which she verbally summarized. The final versions of these were those in the final packet.

A motion was made by Hoaby and seconded by Roder to approve the staff job descriptions as presented. The motion carried without a dissenting vote.

Verizon Tower Lease Amendment and Final Drawings – Berry noted that the lease terms set forth the agreed upon \$350 per month increase in tower rent. The drawings were as previously reviewed. The company asked that we formally approve those along with the lease amendment.

A motion was made by Hoaby and seconded by Maki to approve the project drawings and the amendment No. 3 to the site lease agreement as presented. The motion carried without a dissenting vote.

January 2, 2014, Letter from Otter Tail County – There is no action needed on this item as the modifications have already been made to make a 4-way stop at the intersection as noted in the letter.

Liquor Store Committee Report on Ballroom Contract and Dance Security Rules – Berry noted that she and her staff made up the suggested rules and some changes to the contract language. These were submitted to the Liquor Store Committee. The Committee has recommended that the Council approve these items.

A motion was made by Schik and seconded by Hoaby to approve the new contract language and security rules as presented. The motion carried without a dissenting vote.

Revisions to Call Time Policy and Payments – Berry noted that some changes to this document as discussed at the December meeting had been incorporated and is presented for final approval.

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A motion was made by Hoaby and seconded by Roder to approve the Call Time Policy and Payments as presented. The motion carried without a dissenting vote.

New Business

Land Sale of City Parcel – Mayor Gerber noted that the offering price was the same as that accepted on the adjacent parcel last month, noting the two parcels are nearly the same overall size and dimensions and thus pretty comparable. She noted that the meeting could be closed per state statues if anyone wished, or they could just proceed with a decision. No one requested that the meeting be closed.

A motion was made by Schik and seconded by Maki to approve the sale of the subject parcel to Chris & Peggy Rutten, dba as Lumber Depot, for the price of \$8,000, upon the condition that the City will provide at its own cost an abstract, the Rutten's agree that the City will not be responsible for providing sewer service to the parcel due to the excessive cost of doing so, and the City and the Rutten's / Lumber Depot will split all other closing costs equally (50-50 split). The motion carried without a dissenting vote.

Annual Appointments and Setting of Depository and Newspaper – It was noted that the appointments were as listed in the handouts. Also, past committee appointments needed confirmation or new assignments made. The Committee assignments were as follows: Schik and Hoaby on Police Committee; Maki and Hoaby on Liquor Store Committee; Gerber and Roder on Budget Committee; Maki and Roder on Personnel Committee; Gerber and Schik on EDA; Schik on Zoning; and Roder and Hoaby on Park Board. Another changed from the Handout was noted in that Happel's hourly fee would increase from the \$135 in 2013 to \$140 in 2014.

A motion was made by Roder and seconded by Maki to approve the 2014 appointments as noted, with the City Attorney hourly fee at \$140, and the Committee Assignments as agreed in the minutes and a new appointment sheet to reflect those appointments. The motion carried without a dissenting vote.

Resolution No. 01-14-2014 – The following resolution was presented for consideration:

CITY OF NEW YORK MILLS, MINNESOTA

RESOLUTION NO. 1-14-2014

RESOLUTION ACKNOWLEDGING CASH DONATION TO THE CITY OF NEW YORK MILLS FIRE DEPARTMENT FROM THE NEW YORK MILLS LIONS CLUB FOR FIRE TRUCK REPAIRS

WHEREAS, the City of New York Mills has received a \$1,500 donation from the New York Mills Lions Club for the fire department to be used towards the cost of repairs for the fire truck.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF NEW YORK MILLS, MINNESOTA THAT: the City Council of the City of New York Mills acknowledges and accepts the cash donation of \$1,500 from the New York Mills Lions Club for repairs to the fire truck.

Adopted this 14th day of January, 2014, by the City Council of the City of New York Mills.

Julie L. Gerber, Mayor

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Darla J. Berry, City Clerk

A motion was made by Hoaby and seconded by Maki to approve Resolution No. 01-14-2014 as presented. The motion carried without a dissenting vote.

Resolution No. 01-14-2014a – The following resolution was presented for consideration:

**CITY OF NEW YORK MILLS,
MINNESOTA**

RESOLUTION NO. 01-14-2014a

**RESOLUTION ACKNOWLEDGING CASH DONATION TO CUSTOMERS
UTILITY ACCOUNTS AND TO LEGREID COMMUNITY POOL FROM AN ANONYMOUS DONOR**

WHEREAS, the City of New York Mills has received several cash donations from a single anonymous donor in the amount totaling \$1,200 during 2013 for use by the Utility and Pool Departments of the City of New York Mills. The use specified was to use towards the utility accounts of customers in need of assistance despite their good faith efforts at paying their bills, and to help maintain the Legreid Community Pool.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF NEW YORK MILLS, MINNESOTA THAT: the City Council of the City of New York Mills acknowledges and accepts the cash donations from the anonymous donor during calendar year 2013.

BE IT FURTHER RESOLVED THAT: the City Council of the City of New York Mills expresses its thanks and appreciation for the generous donation made by the anonymous donor.

Adopted this 14th day of January, 2014, by the City Council of the City of New York Mills.

Julie L. Gerber, Mayor

Darla Berry, City Clerk

A motion was made by Roder and seconded by Schik to approve Resolution No. 01-14-2014a as presented. The motion carried without a dissenting vote.

Engineering Agreement for 2015 Project – Engineer Jade Berube addressed the Council. He thanked the City again for the opportunity. He passed out a handout which would help guide the City and show the process that we will follow. As paperwork is due to the PFA in early March, we'll proceed with a Public Hearing in February. The engineering agreement included in the packet was discussed at length. Berry explained some questions she had when she reviewed it and the responses she received to those questions, mainly concerning the ownership of documents provisions and the insurance stipulations. City Attorney Dennis Happel discussed the agreement at length, noting that it is quite favorable to the engineering firm. The agreement presented was drafted by industry representatives rather than by APEX, and was an industry standard agreement. Happel spoke of using something more simple, noting this had been done in Perham. At this point, he recommended we don't sign it and instead seek

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something simpler that would be more impartial to both parties. Berube agreed that it wouldn't stop the project planning if the agreement were not signed; an agreement will be needed at the point in the Fall of 2014 if funding is found and the City decides to proceed further. The fee for this initial work was set at an estimated \$7,400, with actual billing to occur based on hourly rates. The Council by general consensus authorized the APEX engineers to proceed in this manner to complete a Facility Plan and Preliminary Engineering Report and assess the various street and utility improvement areas for the proposed 2015 Street and Utility Reconstruction for New York Mills. Gerber thanked Berube for his presentation.

State Revolving Fund Loan Programs – These were included in the packet for information.

LMCIT January 14 2014 Memo – Mayor Gerber read aloud the findings of this loss control visit. We must submit a response within 60 days. Jim had discussed this some in his police report.

LMCIT Letter re 2013 Property/Casualty Dividend – Berry noted that we had received a dividend of \$7,616.

Proposed Utility Rate Schedule for January 1, 2014 – Berry noted that the rate schedule reflects a 5% increase in water and sewer rates. Also, while there was no change in gas rates, the gas plant and gas maintenance fees will now reflect a 50% surcharge for those customers located outside of the City limits. This is a new policy and will increase those fees from the in City total of \$10 monthly to an out of City total of \$15 monthly. Usage rates will remain the same for in-City and out-of-City customers. These rates take effect January 1, 2014, and will be first reflected on the billings for January that are mailed out in early February.

A motion was made by Roder and seconded by Hoaby to approved the proposed utility rate schedule. The motion carried without a dissenting vote.

Joint Application for Housing Study Grant – Berry noted that this matter had come up between council meetings, and she had discussed it both with Mayor Gerber and the EDA. Perham and New York Mills are seeking a grant of \$10,000 towards the cost of a joint Housing Study, which is expected to cost \$20,000. If the grant is received, then Perham had agreed to pay 60% and New York Mills to pay 40% of the unfunded part of the cost. The grant application was submitted in late December.

Future Meeting Dates

The next Regular meeting will be held on Tuesday, February 11, 2014, beginning at 4:30 p.m. with a Public Hearing to commence at 5:30 p.m., and a Regular meeting to be held on Tuesday, March 11, 2014.

Payment of Claims

Mayor Gerber noted the claims were as included in the packet. Berry mentioned that she would like authority to register and pay for the MCFOA Annual Conference when the registration materials are ready. There is generally an early bird discount, which would likely be due prior to the February meeting. Registration materials have not yet arrived, but are expected within days.

A motion was made by Hoaby and seconded by Roder to approve the payment of claims as well as authorizing Berry to pay the registration fee for the MCFOA annual conference prior to the February meeting to secure the early bird discount. The motion carried without a dissenting vote.

Financial Reports – There was no discussion or questions concerning the financial reports.

Adjournment

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A motion was made by Hoaby and seconded by Maki to adjourn. The motion carried without a dissenting vote.

The meeting was adjourned at 7:57 p.m.

Respectfully submitted by,

Darla Berry
City Clerk