

**NEW YORK MILLS CITY COUNCIL
REGULAR MEETING
March 11, 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 4:33 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 Jenny Geiser, Liquor Store Manager Kim Hoban, Library Director Julie Adams

Guests Present NYM Dispatch Reporter Connie Vandermay, EDA President Larry Hodgson, City Attorney Dennis Happel, City Treasurer Al Berube, Jessica Gibble

Call to Order The meeting was called to order at 4:33 p.m. A quorum was present.

Approval of Minutes A motion to approve the Minutes from the February 11, 2014, regular meeting and Public Hearing was made by Schik and seconded by Roder. The motion carried without a dissenting vote.

Updates/Consent Agenda – Mayor Gerber noted the updates and consent agenda items.

- a. February 7, 2014, Letter re: 2013 OT County Emergency Operations Plan
- b. February 19, 2014, OT County Notice of Intent to Amend Sanitation Code
- c. PartnerSHIP for Health – Tobacco Free Letter
- d. February 28, 2014, Letter from MN Soil & Water Conservation Districts
- e. February 28, 2014, Notice from OT County of Public Information Meetings
- f. February 28, 2014, Memo from OT County of Equipment for Sale
- g. Otter Tail Power Update

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

Department Reports

Liquor Store Report – Kim referred to her written report. Kim reported the year to date financial performance as reflected in her written report. She talked about having food service of brats and perhaps soups. She noted the cost and payback figures. She passed around a printout she had from E-Bay for a sandwich preparation table which she felt would meet the needs. She commented on needing a commercial microwave also. She noted that after these expenses she had determined that the breakeven point would occur once 587 brats had been served. Kim then went on to mention that Mike Pederson had asked about whether employee Matt Hoban could be a back up for him for the custodial work in the Liquor Store to help him out when he needs a day off. Maki noted that perhaps the liquor store committee could look at these items and work with Kim as to the food service items as well as expanding Matt's role

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as an employee to help with custodial work. Maki thanked Kim for her research and laying out the options. Schik also thanked Kim for her work in that regard.

A motion was made by Roder and seconded by Schik to approve the Liquor Store report as presented. The motion carried without a dissenting vote.

Police Report – Chief Van Schaick was absent. Clerk Berry noted that he had requested the Council make a decision on his request in his written report to have another intern work for the department this summer. Mayor Gerber noted some of the other items included in Jim’s report.

A motion was made by Hoaby and seconded by Schik to approve the proposal to have an intern serve with the Department over the summer months as requested in the report. The motion carried without a dissenting vote.

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

Fire Department Report – A written report was in the packet for review. Fire Chief Ryan Brasel addressed the Council. He noted that a grant request was submitted to BNSF for \$63,000 to help with the purchase of the pumper-tanker which is on order. A response is expected within 90 days. Brasel noted that he’d like to have a group get together to discuss a south side fire station. This group might include staff of public works, fire department, and one or two City Council members. Kyle Mattson, Bryce Burnu, Ryan Brasel, Matt Olson, Josh Hoaby, Dave Delaney, and Jason Schik were then mentioned as those to be involved. Brasel will set up a meeting or two over the next week or so. This group will look at what kind of building would be minimally needed. Brasel mentioned that he had been at some recent training where he learned of a DNR program through the excess property where the Fire Department could possibly obtain a used 4-wheeler at a very lost cost, basically for the cost of getting it shipped to our City which is estimated at about \$300 to \$400. An example of what would be available today is a 2004 700 Polaris. This would be a good way to get a 4-wheeler which would be useful for grass fires. Ryan placed our department on the waiting list and he will let the council know if one becomes available for us.

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.

Public Forum

At 5:00 p.m., Mayor Gerber asked whether anyone present wished to address the council. Jessica Gible asked for an update on the Nicholson property. Clerk Berry reported that she had earlier that day received a telephone call from Mr. Nicholson. He had in that call acknowledged that he had received the letter which City Attorney Dennis Happel had sent him. He told Clerk Berry that the Council should do some investigation of their own as to the merits of having an historic property in the City, and he suggested they contact a person at the Minnesota State Historical Society. Berry reported that she explained to Mr. Nicholson that such investigation was not the City Council’s job, and she referred him back to the letter which the City had sent to him indicating the actions he needed to take and the deadlines provided. He said he would be responding.

The public forum was concluded at 5:06 p.m.

Public Requests – none.

Department Reports - Continued

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Utilities Report – Roger Salo was absent. He submitted a written report. Roger requested approval for the proposal from Thein Well, Spicer, MN, to fix the bearing in Well #4, as included in the packet, at a cost of \$14,000 at most. This would be funded with part of the savings from pushing the water dept sand filter upgrade back to 2015. That was budgeted at \$45,000, and last month we had approved spending also \$14,500 of that money for the water improvements to be done by Northwoods Electric, so now that means about \$28,500 from that \$45,000 budgeted line item would be spent this year.

A motion was made by Hoaby and seconded by Maki to approve the proposal from Thein Well for \$14,000 for repairs to the bearing in Well #4. The motion carried without a dissenting vote.

In his report, Roger also noted that he would like to take the \$45,000 budgeted for a new tractor and instead purchase a used wheel loader. He wants this pre-authorized so that he can be prepared should an auction or other good deal come along. There was some discussion amongst the Council as to how the wheel loader would be used, how much it would be used, and what it really is. The general consensus was the at the budget committee should be involved in overseeing this and reporting back to the council.

A motion was made by Hoaby and seconded by Maki to have the budget committee meet with Roger to go over the specifics, and to proceed with an expenditure of up to \$45,000 without further council action. The motion carried without a dissenting vote.

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

Library Request – Julie Adams submitted a request for vacation time in April 2014. She noted that her part time employee that has been on a medical leave would be returning to work and so the scheduling has been adjusted to allow for Adam's vacation absence. She questioned having to reveal vacation dates that would then be in the public record. It was agreed that vacation requests could be made in general terms only and not need to reveal the specific dates for a vacation absence. The policy will be updated to reflect this.

A motion was made by Hoaby and seconded by Roder to approve the vacation request from Julie Adams for April of 2014. The motion carried without a dissenting vote.

EDA Report – EDA President Larry Hodgson addressed the Council. He noted that the EDA last met on February 20. Nearly all the borrowers are current on their loans. The revolving loan fund balance was reported at \$101,438.84. During the recent meeting the group discussed the comprehensive planning process. Chuck Johnson, who is the Economic Developer with the City of Perham, was invited to attend the meeting to discuss the comprehensive planning ideas. Also, guests included Mark Hanson of WCEDA and Boone Caughney of Central Minnesota Credit Union. Johnson indicated that going through a comprehensive planning process requires that there are one or more strong leaders involved in the process. Mark Hanson indicated that having a Comprehensive Plan provides a valuable reference tool but doesn't exactly give you an action plan per se. It does provide guidance over multiple years as staff and council members come and go. The cost of having a plan done could run from \$16,000 to \$25,000 and up from there. Johnson noted the regional problem shared by many employers with a shorting of employees and also of rental housing for the workforce needed. Hodgson reported to the EDA that he and Clerk Berry met with staff from the City of Perham to discuss the Housing Study proposals and select the consultant. The cost for our city would be somewhat under \$4,000. Larry reported to the EDA that New York Mills will have its own report. The EDA also discussed the plan to have an appraisal done on the Corner Lot that the railroad owns as a possible future development site that the City could acquire. Clerk Berry reported to the EDA that she had received some inquiries about space in the CAC building, but that owner Bruce Fuhrman had told Berry that he was a bit undecided as to whether he would promote the building strictly for rental commercial space or whether he would convert part of the space into affordable workforce housing. Hodgson reported more about the favorable aspects of an agreement with WCEDA for their economic development services, in exchange for a fee of \$5,000 annually. The

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group further discussed the aspects of annexation as part of a comprehensive planning process, and Berry questioned whether annexation requires the provision of City services with it. That was not necessarily mandated per Hanson. Johnson agreed to send over the outdated Perham Comprehensive Plan from twelve years earlier so that we could see what such a plan looks like. Hodgson reported that the group would again be discussing the arrangement with WCEDA at its March 25th meeting.

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 reported that the Zoning Committee did meet and they continued to follow up from the January meeting discussion. They discussed the presentation from the earlier meeting as to the State Building Code and the pros and cons of that. The group felt there were some long term implications with having the State Building Code in town. It was felt that we don't generate much in terms of zoning permit fees and that therefore it likely would not be worthwhile for any building inspector to contract with us for that volume of fees. The group didn't have much interest in pursuing this matter at this time. Schik also noted that the group had a discussion about the Visionary Process that the EDA has been discussing, and member Wallgren shared notes that she had from a similar process done several years ago by the informal Thursday morning discussion group. The group also held a brief discussion of whether or not some consideration should be made of allowing billboards when the next Zoning Ordinance amendments are made.

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

Administration Report – Berry noted various items on her Administration Report. Berry noted that the Council needed to address how the pediatric dental insurance will be paid for as listed under item 3 in her report.

A motion was made by Roder and seconded by Maki that the City will follow the same policy as with health insurance that the employee must pay 25% of the pediatric dental premium while the City will pay 75% of that premium. The motion carried without a dissenting vote.

Berry discussed item 7, where she would look at whether council committee pay should be made and whether this would be included under the restrictions on raising council pay, asking if the council wants her to work on this or not. By general consensus, the council agreed and directed Berry to look into this matter further. Berry noted that item 9 was included under New Business later on the agenda. Berry asked whether the City Newsletter publication schedule could be modified from being produced every other month to instead just quarterly. The consensus was that this new schedule would be fine.

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

Old Business

2015 Street and Utility Reconstruction Project – Engineer Update – The update appeared in written form in the packet. Berry noted that she has copies of those items actually submitted should anyone care to see them.

Committee Guidelines – The guidelines were initially in the prior month's packet. A few minor changes were made and were highlighted on the most current versions as contained in the packet. The police committee guidelines needed a correction to the 2nd bullet as the term "Policies" should be "Policies". Berry agreed to make the change as needed also to any of the others if this error existed on those.

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A motion was made by Hoaby and seconded by Maki to approve the guidelines for the Budget, Liquor Store, Personnel, and Police Committees as presented with changes noted as follows: changed the reference from “polices” to “policies” under the 2nd bullet in the Police Committee presentation. The motion carried without a dissenting vote.

New Business

Natural Gas Utility – Proposed Rate Increases – Berry address the Council. She referred to the Handouts which were included in the packet. The first chart shows the possible rate increases compared to current rates and also the impact each would have had on actual February billings for a few customers. Berry explained the overview she prepared showing the complexities of natural gas pricing. She explained the information we receiving on our monthly billing. She discussed an upcoming meeting that she and Salo will be attending in late April, at about the time our basis lock expires, along with the other six cities in our buying group with our consultant Tom Luke of Constellation NewEnergy. She will keep the council posted as market place changes develop.

A motion was made by Hoaby to table this matter until next month. This motion failed for lack of a second.

A motion was made by Schik and seconded by Roder to approve an increase in March 2014 gas rates by \$0.25 across the board on all usage fees, and to update our rate sheet to reflect this increase for March billings that are mailed in early April 2014. The motion carried without a dissenting vote.

Proposal to Adjust Ballroom Rental Rates - Berry referred to the handout in the packet to adjust rental rates for the Ballroom and Party room for all bookings and calls occurring on or after March 12, 2014. Discussion ensued, with a consensus of support for the proposed new rates evident.

A motion was made by Roder and seconded by Maki to adjust the rates as proposed. The motion carried without a dissenting vote.

Cash Donation Received for Park Board – Resolution No. 03-11-2014 – The following resolution was presented for consideration:

CITY OF NEW YORK MILLS, MINNESOTA

RESOLUTION NO. 03-11-2014

RESOLUTION ACKNOWLEDGING CASH DONATION TO THE CITY OF NEW YORK MILLS PARK BOARD FROM THE NEW YORK MILLS LIONS CLUB FOR PARK ADDITION

WHEREAS, the City of New York Mills has received a \$2,700 donation from the New York Mills Lions Club for the Park Board to be used towards the cost of constructing a shelter at the Country View Playground.

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 \$2,700 from the New York Mills Lions Club for the Park Board for the shelter addition.

Adopted this 11th day of March, 2014, by the City Council of the City of New York Mills.

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Julie L. Gerber, Mayor

Darla J. Berry, City Clerk

A motion was made by Schik and seconded by Hoaby to approve Resolution No. 03-11-2014 as presented. The motion carried without a dissenting vote.

Cash Donation Received for Legried Pool Handicap Lift – Resolution No. 03-11-2014a – the following resolution was presented for consideration:

**CITY OF NEW YORK MILLS,
MINNESOTA**

RESOLUTION NO. 03-11-2014a

RESOLUTION ACKNOWLEDGING CASH DONATION TO THE CITY OF NEW YORK MILLS FROM PERHAM HEALTH, PERHAM, MINNESOTA, TOWARDS THE HANDICAP LIFT PROJECT FOR THE LEGRIED COMMUNITY SWIMMING POOL

WHEREAS, the City of New York Mills has received a \$500 donation from Perham Health, Perham, Minnesota, for the handicap lift project for the Legried Community Swimming Pool to help fund this project which is estimated to total \$5,500.

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 \$500 from Perham Health, Perham, Minnesota, for the swimming pool rehabilitation project.

Adopted this 11th day of March, 2014, by the City Council of the City of New York Mills.

Julie L. Gerber, Mayor

Darla J. Berry, City Clerk

A motion was made by Maki and seconded by Roder to approved Resolution No. 03-11-2014a. The motion carried without a dissenting vote.

Cash Donation Received for Fire Department – Resolution No. 03-11-2014b – The following resolution was presented for consideration:

**CITY OF NEW YORK MILLS,
MINNESOTA**

RESOLUTION NO. 03-11-2014b

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**RESOLUTION ACKNOWLEDGING CASH DONATION TO NEW YORK MILLS FIRE DEPARTMENT
FROM OAKRIDGE HOMES OF BRAINERD, MINNESOTA**

WHEREAS, the City of New York Mills has received a donation from Oakridge Homes Sils, Inc., Brainerd, MN, for \$25.00 for the New York Mills Fire Department.

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 \$25.00 donation from Oakridge Homes Sils, Inc., of Brainerd, Minnesota.

BE IT FURTHER RESOLVED THAT: the City Council of the City of New York Mills expresses its thanks and appreciation for the \$25.00 donation made by Oakridge Homes Sils, Inc., of Brainerd, Minnesota, for use by the Fire Department.

Adopted this 11th day of March, 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. 03-11-2014b as presented. The motion carried without a dissenting vote.

Other – A letter was received from Brunswick regarding their use of a city owned roadway near the City shop on which to route semi truck traffic. It was discussed that some follow up with the City attorney, City engineer, and Public Works Director Roger Salo was needed concerning this matter.

Future Meeting Dates

The next Regular meetings will be held on Tuesday, April 8, 2014, and on Tuesday, May 13, 2014. Both meetings will commence at 4:30 p.m. There is a Special Meeting scheduled for Thursday March 13, 2014.

Payment of Claims

Mayor Gerber noted the claims were as included in the packet.

A motion was made by Hoaby and seconded by Maki to approve the payment of claims as presented. The motion carried without a dissenting vote.

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

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

Adjournment

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

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The meeting was adjourned at 6:43 p.m.

Respectfully submitted by,

Darla Berry
City Clerk