

**NEW YORK MILLS CITY COUNCIL  
REGULAR MEETING  
May 10, 2016  
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 4:32 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, Oakland and Hoaby

**Members Absent** None

**Staff Present** City Clerk Darla Berry, Administrative Assistant Jenny Geiser, Administrative Assistant Cheri Kopveiler, Public Works Director Kyle Mattson, Liquor Store Manager Joan Koep

**Guests Present** NYM Dispatch Reporter Connie Vandermay, City Treasurer Al Berube, City Attorney Dennis Happel, Apex Engineer Michael Weber, Courtney Richman of Eide Bailly, Bill Layman, Roger Pederson, Dale Frost

**Call to Order** The meeting was called to order at 4:32 p.m. A quorum was present.

**Approval of Final Agenda** **A motion to approve the final agenda was made by Maki and seconded by Hoaby. The motion carried without a dissenting vote.**

**Approval of Minutes** **A motion to approve minutes from the April 12, 2016 regular meeting was made by Maki seconded by Roder. The motion carried without a dissenting vote.**

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

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

**Department Reports**

**Liquor Store Report** - Manager Joan Koep addressed the council. She asked that the council approval for the hiring of new bartender/clerk Bobbi Jo Grabow. She went through her report and noted that we were in the black in April, although only with a very small profit reported. She commented on her great team that has helped us get to this point, as well as the support she receives from the City's administrative staff.

**A motion was made by Hoaby and seconded by Roder to approve the hiring of Grabow and to approve the Liquor Store report. The motion carried without a dissenting vote.**

**Fire Department Report** – Chief Brasel's report was in the packet.

**A motion was made by Oakland and seconded by Hoaby to approve the Fire Department Report. The motion carried without a dissenting vote.**

**Police Report** – Chief James Gritz was absent. His report was in the packet. .

**A motion was made by Roder and seconded by Oakland to approve the Police Report. The motion carried without any dissent.**

**EDA Report** – Mayor Gerber provided the EDA report, noting that the group met on April 20. Delinquent loans were discussed. The balance of the revolving loan fund was \$164,330.84, with \$140,908.33 of EDA funds and \$23,422.51 of State of MN MIF funds. Advertising options were discussed. The listing of the property has expired and the group decided not to seek a new listing arrangement at this time. The EDA discussed the renewal of Mark Hanson’s Contract under the WCEDA organization. The contract would set a payment at \$7,500 for nine months of service. This contract was approved. Hanson gave a report on his activities. He has continued to be involved in the County’s efforts to establish a daycare in the County building here in New York Mills. He noted that he had worked with Cultural Center Director Betsy Roder on obtaining a grant through the Five Wings Arts Council, which is due to be submitted in early June. There have been no new developments concerning the CAC Building. The next EDA meeting was scheduled for Wednesday, May 18, at 8:30 a.m.

**A motion was made by Maki and seconded by Roder to approve the EDA report. The motion carried without a dissenting vote.**

**Zoning Report** – Jeff Oakland reported on behalf of the Zoning Committee. He noted that the meeting was short and sweet. A new Demolition Permit was developed which is a standalone application now rather than being incorporated into the general permit application. More information will be obtained in accordance with customary practices concerning the disposal of demolition debris. The group discussed incorporation some provisions for residents to raise chickens, but nothing was adopted. Recent permits included The Barn, a shelter, a patio, a retail store, a new home, and fencing and sidewalk projects.

**A motion was made by Hoaby and seconded by Maki to approve the Zoning report. The motion carried without a dissenting vote.**

#### **Public Forum**

At about 5:00 p.m., Mayor Gerber asked whether anyone present wished to address the council. There was no response.

**Public Requests** – One request was received and is included in the packet. The VFW submitted an item noting taxes and roadway. In attendance were VFW members Bill Layman, Roger Pederson, and Dale Frost. There was discussion about the roadway ownership and who should mow it. The guests expressed frustration that they see very little benefit or services for the property taxes being paid. Council members noted that they receive both Police and Fire protection. After discussion of the roadway and ditch mowing, the City concurred that perhaps it could start mowing services as is done on the south side of highway 10.

**A motion was made by Oakland and seconded by Hoaby that the City will begin to mow the ditch along the VFW between the fence and the highway, in the area adjacent to the VFW property. The motion carried without a dissenting vote.**

**Public Works Report** – Kyle Mattson addressed the Council. Kyle noted that there was some overtime as listed in his report. Al Holtberg's start date was May 3, and he has proved to be of tremendous help already. With the street project underway the City has been able to perform some maintenance and repair work on the gas lines in the area. He noted that it is going well and we have good contractors. The department has been doing some work on the wastewater irrigators, and making repairs as needed. Road closings have been requested and approval received for the Lund Mania and Corn Feed events. Kyle discussed his ideas to get automatic meter reading capability. He included some information in the packet in this regard. He note that the department spends about 400 hours each year reading meters, and additional time is spent by administrative staff manually entering that date into the billing software system. Kyle discussed a 4 year roll out of the new system, which would be expected to last about 20 years. Kyle will continue to explore options in this regard. In the sewer department, there is \$40,000 budgeted this year and he thinks this funding will be sufficient to get 2 or 3 lift stations upgraded, while initially the budget was for doing just one. Quotes have been coming in much lower than expected. It is mostly electrical work. He would like authorization to continue to solicit quotes and to proceed as he sees fit while staying within the \$40,000 budgeted figure. Kyle mentioned other items as listed in his written report.

**A motion was made by Hoaby and seconded by Oakland to approve the Public Works report and to authorize Mattson to use the \$40,000 budget to make the improvements to the Karvonen lift station and for an additional one or two lift stations as the budget dictates. The motion carried without a dissenting vote.**

**Administration Report** – Berry addressed the council. She referred to the step raise listed in her report. Berry noted some of the other items in her report.

**A motion was made by Hoaby and seconded by Roder to approve the Administration report as well as the step raise as noted. The motion carried without a dissenting vote.**

### **Old Business**

**Nicholson Property Update** - Happel reported that Nicholson had secured an estimate for removal of the building for \$28,000, as the person would reclaim the original logs. There is biological waste and asbestos to be concerned with so disposal would be expensive. The expert that Nicholson hired to inspect the building found worse issues than had our inspector.

**Update on 2015/16 Utility/Street Rehabilitation Project** – Michael Weber of Apex Engineering addressed the Council. He noted that the underground work is nearly done. Paving is expected within two weeks. Curb and gutter will be done on Gilman next week. Street lights should be coming in the next week. Seeding the topsoil is also to occur within the next couple of weeks. Liquidated damages assessed the contract relating to work performed in 2015 is under discussion.

### **New Business**

**Presentation of 2015 Audit Report** – Courtney Richman of Eide Bailly addressed the City Council. She went through the Executive Summary with the Council. Overall, the City received a "Clean Opinion" with the exception of the Liquor Store, for which there is a modified opinion due to unresolved problems with the costs of sales and gross profit margin data for which there were no quantifiable explanations. Next, a graph shows that there has been a decline in investments, this was due to the purchase of a new fire department vehicle in the spring of 2015. Item three is a look at the long term debt coverage, which shows receipts versus payments. Ideally this would be a 1.0, and in 2015 the city was a bit below 1.0, but remains in a very acceptable range. The fourth item includes three graphs showing generally the receipts

coming into the general fund. These were affected in 2015 by “The Barn” donations and the fire truck funds. The next item is a similar item showing instead disbursements rather than receipts. Again the fire truck and a new squad car were significant items in 2015. Page 6 shows variances that occurred, these included items relating to storm claims for insurance receipts, donations for the barn, and other items such as the public safety items mentioned earlier. Page 7 showed a slight drop in the general fund balance of the City as a percentage of disbursements. At 71.4% this is very adequate. Page 8 shows the operating expense per capita, which was at \$755 in 2015. Page 9 is an overview of the water, sewer, and gas funds in terms of operating revenues, expenses, and income. Page 10 is for the liquor store. Page 11 shows the liquor store performance in terms of the gross profit ration over the past five years. For 2015 this ratio was at 36.6%, with a statewide average being 39.9%. Ms. Richman concluded her presentation at 5:42 p.m. Mayor Gerber thanked her for her presentation.

**Plan for Leasing Land at Irrigator #1** – Included in the packet were drafts of an advertisement, bid form, and lease agreement for the Irrigator #1 ag parcel. Berry asked the Council to discuss, suggest any changes, and authorize staff to proceed with advertising this for bids.

**A motion was made by Hoaby and seconded by Oakland to run the ad as presented and proceed with this process, also authorizing Mayor Gerber to sign the documents. The motion carried without a dissenting vote.**

**Donation from NYM Lions to Public Library** – The following resolution was presented for consideration:

## **CITY OF NEW YORK MILLS, MINNESOTA**

### **RESOLUTION NO. 05-10-2016**

#### **RESOLUTION ACKNOWLEDGING CASH DONATION TO THE CITY OF NEW YORK MILLS FOR THE NEW YORK MILLS PUBLIC LIBRARY FROM THE NEW YORK MILLS LIONS CLUB**

**WHEREAS**, the City of New York Mills has received a donation of \$1,000 for upgrades to the public restrooms at the New York Mills City Library.

**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 on behalf of the New York Mills Public Library acknowledges and accepts the cash donation of \$1,000 from the New York Mills Lions Club.

Adopted this 10th day of May, 2016, by the City Council of the City of New York Mills.

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Julie L. Gerber, Mayor

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Darla Berry, City Clerk

*The City of New York Mills is an equal opportunity provider and employer.*

**A motion was made by Roder and seconded by Oakland to approve Resolution No. 5-10-2016 as presented. The motion carried without a dissenting vote.**

**Ordinance Recordkeeping** – Berry noted that she had reviewed the official ordinance books and located several old ordinances that lacked signatures. She was able to get a former Mayor to come and sign a number of these dated ordinances. However, three remained for which this was not achieved. Now as suggested at an earlier meeting the City can by resolution authorize the current Mayor and Clerk to add their signatures to these ordinances. The following resolution was then presented for consideration:

**CITY OF NEW YORK MILLS,  
MINNESOTA**

**RESOLUTION NO. 05-10-2016a**

**RESOLUTION AUTHORIZING MAYOR AND CLERK TO SIGN DULY ADOPTED  
ORDINANCE NUMBERS 104, 105, AND 116**

**WHEREAS**, the City Clerk of the City of New York Mills has conducted a review of all ordinances on hand since the City's inception; and

**WHEREAS**, there were many ordinances located which did not contain the actual signatures of elected officials, namely the Mayor, that held office at the time the ordinances were adopted; and

**WHEREAS**, the City Clerk obtained signatures on some of the unsigned ordinances by the person who held the Mayor position at that time; and

**WHEREAS**, after this process there remained three duly adopted ordinances for which signatures by the respective former Mayor and Clerk could not be obtained; and

**WHEREAS**, the City Clerk ascertained from City Council Minutes that the three subject ordinances were duly adopted during normal City Council meetings, as listed herein:

1. Ordinance No. 104 – An Ordinance of the City of New York Mills, Minnesota, Regulating the Use & Storage of Large Motor Vehicles in Residential Districts – approved at the May 13, 2003, City Council Meeting per approved minutes.
2. Ordinance No. 105 – An Ordinance of the City of New York Mills Creating Administrative Offenses & Penalties – approved at the June 10, 2003, City Council Meeting per approved minutes.
3. Ordinance No. 116 – An Ordinance Regarding Abandoned Property in the City of New York Mills – approved at the July 19, 2006, City Council Meeting per approved minutes.

**NOW THEREFORE, BE IT RESOLVED THAT:** the City Council of the City of New York Mills hereby authorizes the currently seated Mayor Julie Gerber and the current City Clerk Darla Berry to add their signatures to the original documents for the three subject City Ordinances.

Adopted this 10th day of May, 2016, by the City Council of the City of New York Mills.

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Julie L. Gerber, Mayor

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Darla Berry, City Clerk

**A motion was made by Roder and seconded by Oakland to approve Resolution No. 5-10-2016a as presented authorizing Mayor Gerber and Clerk Berry to sign the three subject ordinances. The motion carried without a dissenting vote.**

**Cash Donation for Park Board for the Barn** – The following Resolution was presented for consideration:

**CITY OF NEW YORK MILLS,  
MINNESOTA**

**RESOLUTION NO. 05-10-2016b**

**RESOLUTION ACKNOWLEDGING CASH DONATION TO THE CITY OF NEW YORK  
MILLS PARK BOARD FROM DENNIS AND TONI MUCKALA**

**WHEREAS**, the City of New York Mills has received a cash donation of \$1,000 for the Park Board for a new shelter to be constructed in the Sculpture Park, known as “The Barn”.

**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 \$1,000 from Dennis and Toni Muckala for the Park Board for “the Barn” shelter project at the Sculpture Park.

Adopted this 10th day of May, 2016, by the City Council of the City of New York Mills.

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Julie L. Gerber, Mayor

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Darla Berry, City Clerk

**A motion was made by Maki and seconded by Roder to approve Resolution No. 5-10-2016b as presented. The motion carried without a dissenting vote.**

**Future Meeting Dates** – The regular meetings are scheduled for Tuesday, June 14, 2016 and Tuesday, July 12, 2016, at 4:30 p.m.

**Payment of Claims** - Mayor Gerber noted that the bills are as in the packet.

**A motion was made by Hoaby and seconded by Roder to approve the payment of bills. The motion carried without a dissenting vote.**

**Financial Reports**

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

**Adjournment**

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

The meeting was adjourned at 6:16 p.m.

Respectfully submitted by,

  
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Darla Berry  
City Clerk