

**MINUTES OF THE CITY COUNCIL MEETING
AUGUST 8, 2016**

CALL TO ORDER

Pursuant to due call and notice thereof, the regular meeting of the City Council was called to order at 5:00 p.m. by Mayor Deiss in the Council Chambers, located in the City Administrative Center.

MEMBERS PRESENT

Mayor George Deiss, Council Members Bruce Uselman, Don Niles, Deb Wiese and Gillette Kempf.

OTHERS PRESENT

Brad Swenson, Eric Robb, Dave Evans, Naomi Plautz, Dean Uselman, Tim Booth, Sharon Domier, Anna Erickson from the Wadena Pioneer Journal and Phil Martin from Bolton é Menk, Inc.

CONSENT CALENDAR

Motion was made by Kempf, second by Wiese to approve the following items on the consent calendar:

- A. Minutes of the City Council meeting held July 12 é 22, 2016
- B. Claims as Presented for payment:

1. July 01, 2016.....	\$17,000.00
2. July 01, 2016.....	\$1,768.16
3. July 05, 2016.....	\$1,952.77
4. July 06, 2016.....	\$1,017.17
4. July 06, 2016.....	\$3,091.43
5. July 08, 2016.....	\$139,549.68
6. July 11, 2016.....	\$60.00
7. July 13, 2016.....	\$569.59
8. July 13, 2016.....	\$100.17
9. July 13, 2016.....	\$11.66
10. July 13, 2016.....	\$272.02
11. July 13, 2016.....	\$100.02
12. July 14, 2016.....	\$107,792.96
13. July 14, 2016.....	\$81.17

14. July 15, 2016.....	\$19,118.75
15. July 15, 2016.....	\$8,774.54
16. July 18, 2016.....	\$1,189,112.27
17. July 20, 2016.....	\$4,262.45
18. July 22, 2016.....	\$777.33
19. July 22, 2016.....	\$1,200.45
20. July 25, 2016.....	\$2,118.12
21. July 25, 2016.....	\$2,980.97
22. July 27, 2016.....	\$91.02
23. July 28, 2016.....	\$296,240.39
24. July 28, 2016.....	\$46,928.43
25. July 29, 2016.....	\$572,847.81
26. July 29, 2016.....	\$12,740.58

- C. City Administrator’s Monthly Report for July 2016
- D. WHRA Meeting Minutes for June 28, 2016
- E. WDA Meeting Minutes for June 8, 2016
- F. Park Advisory Board Meeting for August 4, 2016
- G. Library Board Meeting Minutes for May 17, 2016
- H. Police Department Activity Report for July 2016
- I. Senior Citizens Center Financial Report for July 2016
- J. CVB Meeting Minutes for June 13, 2016

Upon voting Mayor Deiss declared the motion carried, all members voting aye.

TIF – 49 UNIT ASSISTED LIVING FACILITY – SET PUBLIC HEARING DATE

Brad Swenson stated that our TIF Committee has met and reviewed the application and determined that it is eligible to move onto the next step. The Council needs to adopt a resolution setting the public hearing date for October 11, 2016.

Dean Uselman stated that the County needs a 45 day notice by law and the school needs a 30 day notice.

Motion by Kempf, second by Uselman to adopt Resolution 08-01-16 Calling Public Hearing on the Proposed Establishment of TIF District No 1 and the Proposed Adoption of a TIF Plan Relating Thereto.

Upon voting, Mayor Deiss declared the resolution adopted. All members voting aye

UTV ORDINANCE – CHANGE AGE OF QUALIFIED USER – CRAIG FOLKESTAD

Brad Swenson informed the City Council that Craig Folkestad had submitted a request with the UTV Committee to lower the age of qualified riders for our permit process and the committee is not recommending to change the age of qualified operators in the UTV Ordinance.

Craig was not present at the City Council Meeting.

Gillette Kempf feels inclined to stick with the committee's recommendation.

Mayor George Deiss stated that he feels the same as Kempf.

Deb Wiese feels that this is a safety issue and that handling a 4 wheeler with a plow is a big machine to handle for a 13 year old.

Bruce Uselman feels that this is a public safety issue and that we should not be more lenient than the state.

Police Chief Naomi Plautz feels that she shares all of the Council Members concerns.

No action taken at this time due to the City Council wanting to follow the UTV Committee's recommendation and not willing to change the requirements.

BREW PUB ORDINANCE #208, 3RD SERIES & AMENDMENT TO ZONING ORDINANCE #207, 3RD SERIES

Brad Swenson informed the City Council that right now we do not have an ordinance dealing with Brew Pubs, Tap Rooms or Cocktail Rooms. He also stated that Jeff Pederson, Dean Uselman and he has been working on putting together an ordinance to deal with brew pubs, etc.

Mayor George Deiss commented that more and more Brew Pubs are showing up in smaller towns.

Gillette Kempf feels it would be good to be prepared.

Gillette Kempf asked the difference between a Brew Pub and a Tap Room. Dean Uselman answered that a Brew Pub brews their own beer on site and has a higher percentage of sales from foods rather than from the brew sales and a Tap Room has a higher percentage of sales from micro distilleries or a brewery.

Motion by Kempf, second by Niles to adopt Ordinance #208 3rd Series.

Niles thanked everyone for being on top of this and being prepared in advance. Upon voting, Mayor Deiss declared the resolution adopted. All members voting aye.

Motion by Niles, second by Wiese to adopt the amended Ordinance #207 3rd Series.

Upon voting, Mayor Deiss declared the resolution adopted. All members voting aye.

Brad Swenson recommended per committee consensus that the fee for these licenses be set at \$400 per year.

Motion by Niles, second by Uselman to set the license fees at \$400 for Brew Pub On-Sale, Brew Pub Off-Sale, Brewer Tap Room On-Sale, Brewer Tap Room Off-Sale, Cocktail Room On-Sale & Micro Distillery Off-Sale as recommended.

Upon voting, Mayor Deiss declared the motion carried. All members voting aye.

11TH STREET PAVING – COMPTON TOWNSHIP PROPOSAL

Brad Swenson gave an overview of what was voted on at last month's City Council meeting and that a motion was made contingent upon Compton Township paying 50% of the project and part of it was for repaving on 11th Street which is on the border of city limits between the City and Compton Township. They have a counter offer for the city to consider which is basically paying for 35% of the project and they would like the city to finance it over 2 years. Dan Kovar is recommending either Option 1 which is full removal and replacement of the old bituminous and add 3" of road base for a total cost of \$57,695 and splitting the cost 65/35 or Option 2 which is milling and restoration and overlaying but installing 3" instead of 2.5" of new bituminous for a total cost of \$31,787 and splitting the cost 50/50.

Deb Wiese asked if their proposal was due to a financial issue or if they feel there isn't a need for this to be done.

Brad Swenson thought it was a financial issue and that it probably wasn't budgeted for.

Mayor Deiss commented that he would like to see the least expensive option used.

Deb Wiese commented that she would like to see the more expensive option due to feeling that option seems like that right way to do it so that it lasts longer.

Motion by Kempf, second by Wiese to approve option 1 and to finance over two years at 35% of cost to be paid by Compton Township.

Upon voting, Mayor Deiss declared the motion carried. All members voting aye.

MASON BROTHERS FENCE PROPOSAL TO DELINEATE PUBLIC RIGHT OF WAY

Dean Uselman informed the City Council that this issue has been ongoing since about March of 2014 between Mason Brothers and a couple of property owners in that area about employees using a piece of public right of way of Deerwood Ave and 3rd Street NE which is next to a residential property. Mason Brothers is willing to put up a fence to help delineate this right of way and try to direct their employees to use that verses crossing over private property and they would also mow this area going forward for the city.

There was discussion about the property lines and where the employees walk.

Motion by Niles, second by Kempf to allow Mason Brothers to build the fence as proposed at their cost and future mowing of grass in the right of way area.

Upon voting, Mayor Deiss declared the motion carried. All members voting aye.

COLFAX AVE SE – SIDEWALK CHANGE OF LOCATION

Brad Swenson stated that there has been a lot of discussion during the course of the SE Project about sidewalks. On Colfax Ave between 3rd Street & 4th Street the plan shows that the sidewalk would be on the south side of the block but due to limited right of way on that side of the street the sidewalk would be up against the curb which is not desirable for snow removal purposes. It also would be right up against the steps of the house owned by John Kopischke. We have looked at other possibilities and it seems to make sense to put the sidewalk on the north side of the block verses the south side as there is plenty of right of way there and room for a boulevard with no loss of trees. Our proposal is to change that so we can give the contractor direction.

Joan Poppe – 316 Colfax Ave SE – stated that she does not want the sidewalk on her side.

Gary & Evonna Pflipsen – 324 Colfax Ave SE – stated that they do not want sidewalks due to the hardship it will create and they do not want to maintain the sidewalk. They are also concerned about all the underground cables that were put in a few years ago as well as the Charter Communications box.

Phil Martin stated that he will stake where the sidewalk will be located.

Motion by Gillette, second by Uselman to move the sidewalk from the original plans on the south side to the north side of Colfax Avenue between 3rd & 4th Street SE.

Upon voting, Mayor Deiss declared the motion carried. Voting aye: Kempf, Niles & Uselman.
Opposed: Wiese & Deiss.

Joan Poppe asked if she could get something in writing saying it will be on the south side of the Charter Communications box.

Phil Martin stated that he will stake where the sidewalk will be located and write a letter.

LIBRARY CONSULTANT RFP SELECTION

Brad Swenson stated they have advertised for Consultants for the Library and we have received 2 applicants. We had our committee, which was made up of Renee Frethem, Don Niles, Carmen Pederson Karen Walgren & myself, interview the 2 applicants and we are recommending BKV Group. The proposed cost for this project is \$13,836 which we have budgeted for. BKV Group would be starting in September and finishing by the end of the year. There will be 2 public meetings where the public will be able to come and give input.

Don Niles feels that the recommendation from the committee is a strong recommendation.

Motion by Wiese, second by Kempf to hire BKV Group as the Library Consultant as recommended by the committee.

Upon voting, Mayor Deiss declared the motion carried. All members voting aye.

LIQUOR STORE INVENTORY PROCEDURE & INTERNAL CONTROLS PROPOSAL

Brad Swenson gave a recap of the last Council Meeting where the Auditor reported that we had a qualified opinion of our financial report due to the lack of coming to a conclusion concerning the inventory at the Liquor Store and the Council asked that we discuss this in the future. Brad has talked to our City Auditors and they have submitted a proposal to spend some time looking at inventory procedures and internal controls at the Liquor Store. \$3,000 for one day onsite with internal control interviews. \$6,000 for two days onsite with interviews and documentation testing during calendar year 2016. Or \$8,000 for two days onsite with interviews and documentation testing during calendar years 2015 and 2016. They would do more than just looking at inventory. They would look at operating procedures, interview employees, job descriptions, look at what is being done and what could be done or changed to improve operations and controls at the store and they would interview staff in my office as well. Brad is recommending the larger \$8,000 proposal which is a more in depth study. They would have 2 auditors here for 2 days verses 1 auditor.

Brad stated that his staff has taken pride in getting a certificate of achievement from Government Finance Officers Association every year. In the 24 years that we have applied for it we have only missed one year because we didn't get out paperwork in on time. 23 out of 24 years is a real pat on the back for the staff showing that they really put time into the financial report take this seriously doing due diligence. It's a nice achievement. Due to the qualified opinion we do not qualify for this certificate this year.

Don Niles feels that the timing of this would be really good.

Tim Booth feels that this would be very helpful.

Motion by Wiese, second by Kempf to hire Eide Bailly as recommended by Brad Swenson to do an Internal Control Examination Services for the Liquor Store.

Don Niles thanked Brad for getting the bids and thanked Tim for being open to this process.

Bruce Uselman thinks it's important that there are procedures and policies followed and that the manager work closely with the financial officer so they have a clear understanding of where we should be and feels that after this is completed they should be able to accomplish that.

Upon voting, Mayor Deiss declared the motion carried. All members voting aye.

WATER TOWER CLEANING & PAINTING OF STAND PIPE PROPOSALS

Dave Evans stated that the water tower stand pipe & bowl is very dirty and is in need of cleaning and there is also rust in spots. He has obtained 4 quotes for cleaning and painting of the stand pipe for the water tower bowl. National Wash Authority, LLC quoted \$17,378. Tri-State Coatings quoted \$20,000. Elite National Tank & Tower quoted \$22,000. Suez Water Advanced

Solutions quoted \$24,717. Dave is recommending hiring Tri-State Coatings. They would apply an additional tie coat layer of paint prior to the final coat for additional adhesion and they are a local contractor. The low bidder said they were going to tool grind the rust spot and Dave does not feel that is the best thing to do. There is \$15,000 in the budget for this work so the remainder would have to come out of reserves even though they are very low at this time. Painting the stand pipe is needed at this time due to the significant rust break through from coating break down, which will be more predominant after washing, and he is not planning on a complete tower refurbish for another 3 – 5 years.

Motion by Niles, second by Wiese to hire Tri-State Coatings as recommended by Dave Evans.

Upon voting, Mayor Deiss declared the motion carried. All members voting aye.

MEETING OPEN TO THE PUBLIC 6:30 P.M.

Duke Harrison was present but had no comments.

LIABILITY COVERAGE – WAIVER FORM – LMC IT INSURANCE

Brad Swenson stated that every 2-3 years the Council needs to take official action on a liability waiver in conjunction with our LMC IT City Insurance renewal. Last time the Council reviewed this was 2013 and the LMC is requesting that we have a new authorization from the Council. In the past we have always chosen to not waive the monetary limits on municipal tort liability established by Minnesota Statutes Section 466.04

Motion by Wiese, second by Niles to select the option that does not waive the monetary limits on municipal tort liability established by Minnesota Statutes Section 466.04

Upon voting, Mayor Deiss declared the motion carried. All members voting aye.

SET DATE FOR SPECIAL CITY COUNCIL MEETING – ELECTRIC PLANT SITE DISCUSSION

Brad Swenson and Dave Evans have been working with our Architect for the relocation of the Electric Plant and they asked the City Council to get their opinions on the sites and to get direction as to how to should proceed from here. We had 12 different options and have it narrowed down to about 5 or 6 options now. We would like to set up a meeting to have an architect explain the different options available and get a feeling of what the City Council would like to do going forward.

Special City Council Meeting set for August 31, 2016 at 5:00 pm.

DEPARTMENT REPORTS

STREET, SEWER é PARKS DEPARTMENTS

Dan Kovar was absent.

ELECTRIC é WATER DEPARTMENTS

Dave Evans reported that the lights on Bryant Ave SE should be done and working by the end of the week.

LIQUOR STORE

Tim Booth reported that the Liquor Store had more sales than last year for We Fest.

Tim Booth reported that his new assistant his a very nice addition to the Liquor Store.

WDA/PLANNING é ZONING/FIRE DEPARTMENT

Dean Uselman reported that the WDA has been busy with a number of business prospects.

Dean Uselman reported that the Planning é Zoning permits have tapered off a little.

Dean Uselman reported the Fire Department has not had many fire calls recently.

POLICE DEPARTMENT

Police Chief Naomi Plautz reported her scheduled vacation is put on hold for now.

Bruce Uselman commented that the We Fest traffic on Sunday created problems on Hwy 71 and went well on Hwy 10.

WELLNESS CENTER MANAGER

Eric Robb reported that the Kid's Zone is not being use enough and is looking for volunteers to keep this going.

Gillette Kempf commented about the outside of the north side of the Wellness Center being too plain and needing something identifying what the building is or maybe some attractive painting to draw attention.

Deb Wiese commented that she spoke to the new fitness instructor and that she told her she really likes our facility and that it compares to very nice facilities in larger cities.

CITY ADMINISTRATOR

Brad Swenson reminded the City Council about the Primary Election voting tomorrow.

Brad Swenson reminded the City Council about the Wadena Rotary Club's 50th Annual Corn & Chicken Feed on Thursday, August 11, 2016 from 11 am to 7 pm.

Brad Swenson reminded the City Council about the General Fund Budget Meeting on Monday, August 22, 2016.

Brad Swenson reported that at the SE Constructions meeting today that there was discussion about the trees next to the parking lot by the VFW. The trees are getting very large and that the 4 large ones need to come down and put in new curbing to include spots for new trees. Phil Martin recommends using tubing to force the roots of the new trees to go down further in the soil. Brad asked the City Council to look at this and to comment back to him since he feels the public will comment when the trees are removed. Brad suggest that new trees be put in this area next spring.

COUNCIL REPORTS

Deb Wiese had nothing to report.

Bruce Uselman had nothing to report.

Gillette Kempf commented that she would like to see the City clearing and maintaining sidewalks in town to help and promote health and fitness and that we should discuss this at budget time.

Gillette Kempf commented that she would like to see something done on the north side of the Wellness Center to make it more identifiable from Hwy 10.

Don Niles commented that he likes the idea of clearing and maintaining the sidewalks in town.

Don Niles reported that Kent Schmidt contacted him about a street washout in NW Wadena and wondering if the NW part of town will ever be paved.

Don Niles reported that he attended Partners for a Healthy Wadena meeting where Ryan Damlo was talking about having the Depot be the transit hub for Jefferson Lines for Friendly Rider and having the Chamber of Commerce and Visitors Convention Bureau office be located in the Depot so that it is open year round as well.

Don Niles reported that he will not be running for City Council this fall and thanked everyone for their support.

MAYOR’S REPORT

Mayor George Deiss reported that he golfed in the Tri-County Healthcare Golf Tournament and they had a fantastic turnout.

Mayor George Deiss reported that he attended the Community Picnic at BN Park and they had a good turnout as well.

Mayor George Deiss wishes Don Niles the best and that it has been a pleasure having him on the City Council.

Mayor George Deiss reminded Gillette Kempf that if she is going to run again for City Council that the deadline is Tuesday, August 16, 2016.

Mayor George Deiss reported that he will be seeking office as Mayor again for another 2 years.

ADJOURNMENT

Motion was made by Uselman, second by Wiese to adjourn at 7:00 p.m.

Bradley A. Swenson
City Administrator

George Deiss
Mayor