

CITY OF ST. CLOUD CITY COUNCIL PROCEEDINGS
Monday, February 11, 2019
6:00 PM
City Council Chambers

1. PLEDGE OF ALLEGIANCE
2. MOMENT OF SILENCE FOR OUR MEN AND WOMEN SERVING IN THE ARMED FORCES
3. ROLL CALL: Councilmembers Present: Carol Lewis, Mike Conway, Jeff Goerger, George Hontos, Steve Laraway, Paul Brandmire, Dave Masters

SPECIAL RECOGNITION:

4. **MAYOR KLEIS PRESENT THE NEIGHBOR OF THE MONTH FOR FEBRUARY 2019**
Mayor Kleis introduced two nurses who helped save a gentleman in distress at the YMCA as February's Neighbors of the Month.

CONSENT AGENDA:

5. **APPROVAL OF AGENDA**
ACTION TAKEN: LEWIS/MASTERS/APPROVED 7-0
6. **APPROVAL OF THE MINUTES FROM THE REGULAR COUNCIL MEETINGS HELD ON DECEMBER 17, 2018, JANUARY 7, 2019, AND JANUARY 28, 2019.**
ACTION TAKEN: HONTOS/LEWIS/APPROVED 7-0

Councilmember Hontos pulled item for further discussion. It was moved by Councilmember Hontos, seconded by Councilmember Lewis to approve with amendment. Councilmember Hontos commented that he did not abstain during the January 28, 2019 Council Meeting as noted in the minutes. Motion to amend and approve item unanimously passed.

Council President Goerger requested that every Councilmember raise their hand during every vote to make things easier.

7. **RESOLUTION AUTHORIZING CITY ADMINISTRATION TO EXECUTE ENERGY IMPROVEMENT AGREEMENTS AS PART OF THE NUTRIENT RECOVERY & REUSE PROJECT.**
ACTION TAKEN: LEWIS/MASTERS/APPROVED 7-0
RESOLUTION ADOPTED AND ASSIGNED 2019-02-22
8. **RESOLUTION AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE A JOINT POWERS AGREEMENT WITH THE CITY OF SARTELL TO PROVIDE LEGAL SERVICES.**
ACTION TAKEN: LEWIS/MASTERS/APPROVED 7-0
RESOLUTION ADOPTED AND ASSIGNED 2019-02-21

9. CONSIDERATION OF AN ORDINANCE AMENDING SECTION 2.66 OF THE ST. CLOUD HOME RULE CHARTER REGARDING THE CITY COUNCIL'S AUTHORITY TO OVERRIDE THE MAYOR'S VETO.

ACTION TAKEN: CONWAY/LARAWAY/APPROVED 7-0
PUBLIC HEARING SET FOR MARCH 11, 2019

Councilmember Mike Conway pulled item for further discussion. It was moved by Councilmember Conway, seconded by Councilmember Laraway to approve. Councilmember Conway requested clarification on if the change to number of days is calendar days or business days. City Attorney Cynthia Kirchoff commented that it is calendar days. Councilmember Laraway inquired on procedure regarding Council President's signature and the need for signature even if not in agreement. Council President must sign no matter if in agreement or not. No further discussion. Motion unanimously passed. Public Hearing set for March 11, 2019.

10. CONSIDERATION OF ORDINANCE AMENDING SECTION 3.20 OF THE ST. CLOUD HOME RULE CHARTER REGARDING POWERS AND DUTIES OF THE MAYOR TO APPROVE JOB DESCRIPTIONS FOR ADMINISTRATIVE PERSONNEL.

ACTION TAKEN: LARAWAY/LEWIS/APPROVED 7-0
PUBLIC HEARING SET FOR MARCH 11, 2019

Councilmember Laraway pulled item for further discussion. It was moved by Councilmember Laraway, seconded by Councilmember Lewis to approve. Councilmember Laraway inquired on if this relates to administrative job descriptions or all job descriptions. City Administrator Matthew Staehling commented that it includes all personnel. Councilmember Laraway commented that he appreciates this being brought forward. Councilmember Lewis requested clarifying language to include all job descriptions. Staehling commented that although a good suggestion, the Charter Commission would rather eliminate the language rather than clarify. No further discussion. Motion unanimously passed. Public Hearing set for March 11, 2019.

PUBLIC HEARING:

11. AN ORDINANCE AMENDING SECTION 440 – FOOD ESTABLISHMENTS

ACTION TAKEN: LEWIS/LARAWAY/APPROVED 7-0
ORDINANCE ADOPTED AND ASSIGNED 2770

City Health & Inspections Director Matt O'Brien introduced item. Ordinance amending Section 440 with all changes based upon new food code adopted January 1st of this year. Formatting changes and language clarification to be consistent with State law.

Council President Goerger opened the Public Hearing. No one spoke. Council President Goerger closed the Public Hearing

It was moved by Councilmember Lewis, seconded by Councilmember Laraway to approve. Councilmember Conway commented that he appreciates the thoroughness in which staff outlined the changes to the ordinances. Councilmember Hontos inquired on if the changes require more staff time. O'Brien commented that the changes are just to streamline the process. Councilmember Brandmire requested

confirmation that kitchens located in places of worship are not required to be inspected but required someone available as a point of contact. He'd like to ensure that they are in compliance. O'Brien referred to Assistant Health & Inspections Director Sagar Chowdray to address. Chowdray commented that it depends on the congregation is serving outside their congregation. If they are working within the confines of their congregation, no certification is required. Councilmember Brandmire questioned Minnesota Statute application. Chowdray commented that this is for special events only which includes people attending from the public, outside the congregation. No further discussion. Motion unanimously passed. Ordinance adopted and assigned 2770.

Open Discussion & Announcements:

Councilmember Hontos commented on Study Session held February 4, 2019. Surprised to see the HRA Board was included as they are required to receive a 3-day notice as well. Surprised that at least an hour was spent on compensation and a restructuring. Did not feel it was necessary, stating "This goes back to the foolish and petty and vindictive assault started by the Mayor..." as it involves a grand annual total cost to the HRA of \$2,700. Questioning if it was really necessary. In addition, Councilmember Hontos commented on how much time it staff has spent on this witch hunt. The HRA has followed all state statutes, verified by annual audits. The Mayor has refused to let this go. Compares this to the Hwy 23 \$2,000 debate in which the Mayor was concerned about the \$2,000 not being in the budget. Also brought up the overspending the City did on the Costco deal. This is just a diversion from the Costco fiasco. Commented on the extra funds allocated to the road improvements and Skatepark. Councilmember Hontos further commented on the restructuring of the HRA Board and the changes made in 2007 for more public oversight; the 2010 separation of Economic Development from HRA to the City and justification for doing so. No financial discrepancies in the HRA. It is a focused agency, working on Affordable Housing and Neighborhoods. There is no reason to consider any kind of restructuring of the HRA. "This is a clear assault led by the Mayor." Need a justifiable explanation for restructuring.

Council President Goerger commented that the agency does do well. There was a lot of time was spent talking about compensation at Study Session, which was a discussion all councilmembers felt necessary to have. \$2,700 figure is a bit misleading to the public because that is the number it would be this year (2019) with several members not receiving compensation. With the data received from HRA, over last 10 years, that compensation has totaled \$88,900. This is a significant number. It is not frivolous or a waste of time to talk about the numbers. There were reasons given regarding restructuring – additional public comment would be a benefit by adding a user of the services to the board.

Mayor Kleis commented on motivation of the discussion at the Study Session, indicating that it goes back quite some time ago, it is a philosophical policy issue, the per diem, and the aspect of principal outweighs the dollar amount. Mayor Kleis brought up per diem years ago. Per diem is expenses someone incurs for attending a meeting. When asking the City Auditors regarding the aspect of misappropriation of funds, the auditors replied that the aspect is one penny. This is a principal aspect, not the dollar amount. This is compensation that really shouldn't be going to anyone, especially to those already compensated. Further, this has nothing to do with one individual, it has to do with the practice itself. The more the small dollar amounts are added, it ends up being a larger dollar amount. "We are called to

represent our tax dollars." The Study Session with the HRA and the City was called for last year to have a meeting in February. The discussion in September began with requesting a balanced budget. Research discovered discrepancies in per diem being paid twice in one day. The Mayor brought up that discrepancy in September and the HRA corrected the practice and discontinued this practice shortly thereafter. "What happens if there is a misappropriation of funds like this? Is there an obligation to pay it back? This isn't about any individual, it is about the practice. We are required to be stewards of taxpayer dollars. If this wasn't brought up in September, this practice would still be continuing today. Compensation is fine, per diem is not. Councilmembers should have a conversation about actual compensation if they feel it isn't adequate. This has nothing to do with singling out Councilmember Hontos, this is a philosophical difference. It is about the responsibility city leaders have for the taxpayer dollar. It doesn't matter if it is a penny or a million dollars, we have a responsibility to be good stewards of taxpayer money."

Councilmember Masters commented that the HRA does an exceptional job and that Councilmember Hontos does an exceptional job. "The question isn't about the competency of the HRA, it's more about the rationale for the compensation of the commissioners...and looking at best practices. \$88,900 certainly could have been better utilized by the HRA. Discussion was valid, and needed, and something we need to look at."

Councilmember Hontos commented that "word per diem is continually used because the Mayor continually uses it. The word compensation is in the HRA policy, not the word per diem." The HRA has been audited year after year without problems. Further the Mayor has a role in making this a bigger deal than it needs to be because he "enjoys spinning things." Compensation is voluntary and is consistent with the policy of the HRA, consistent with State statute, and consistent with auditors. Commented on budgets with a negative balance. "Some of this stuff is total spin. And you're good at it. Congratulations on your ability to do that. When you do that, I will call you out on it because it is wrong. If you want to talk about facts, let's talk about facts." (Hontos speaking directly to Mayor Kleis)

Council President Goerger commented that the word "per diem" was used on their checks up until about six months ago. "As far as it being called compensation, it was per diem." Moreover, the discussion on restructuring of the HRA was about changing the number of councilmembers on the board, not changing the number of commissioners.

Mayor Kleis commented, focusing on the issue of per diem. "This discussion we are having tonight...you're the one who brought this up tonight. It was not on the agenda." Changing the name from per diem to compensation does not change what it is. "I don't know if anyone would agree that if you went to a meeting for a few minutes, went to another for a few minutes, and get your paid \$75 for each meeting, compensation or per diem, whatever you want to call it, that that is right." This is a focus on the issue, it has not to do with anything else but the issue of per diem only. With regard to the list of compensation sent to KNSI, KNSI requested - this was something the HRA staff prepared and provided.

Councilmember Hontos commented further on the responsibilities of the HRA board. No other board does what the HRA board does. Feels the Mayor was behind the request from KNSI.

Council President Goerger responded, stating that the APO Board has responsibilities similar to the HRA board.

Councilmember Lewis spoke about Black History Month highlighting a post regarding George Washington Carver and the eight rules that Carver lived by.

OPEN FORUM: No one spoke.

ADJOURNMENT:

It was moved by Councilmember Lewis, seconded by Councilmember Masters to adjourn. Motion unanimously passed. Meeting adjourned at 7:02 PM.



Seth Kauffman, Recording Secretary



Jeff Goerger, Council President