

**MEETING OF THE PEQUOT LAKES CITY COUNCIL
TUESDAY, JANUARY 5, 2016
PEQUOT LAKES CITY HALL**

Members Present: Mayor Sjoblad, Council Members Akerson, Loukota, and Pederson

Members Absent: Council Member Karr

Staff Present: Nancy Malecha, City Administrator/Clerk; Dawn Bittner, Zoning Specialist; Eric Klang, Police Chief; Mike Loven, Public Works Supervisor; and Tim Houle, City Engineer

1. Call Meeting to Order

Mayor Sjoblad called the meeting of the Pequot Lakes City Council to order at 6:30 p.m.

1.1 Pledge of Allegiance

Mayor Sjoblad led with the Pledge of Allegiance.

2. Consider Agenda

Nancy Malecha requested to add item 10.9 – Kitchigami Regional Library Service Contract to the agenda. Jerry Akerson requested to add item 10.10 – Special Meeting Pay for Council to the agenda.

COUNCIL MEMBER LOUKOTA MOVED TO APPROVE THE AGENDA AS AMENDED WITH THE ADDITIONS OF ITEM 10.9 – KITCHIGAMI REGIONAL LIBRARY SERVICE CONTRACT AND 10.10 – SPECIAL MEETING PAY FOR COUNCIL. COUNCIL MEMBER AKERSON SECONDED THE MOTION. MOTION CARRIED 4-0.

3. Consent Agenda

COUNCIL MEMBER AKERSON MOVED TO APPROVE THE CONSENT AGENDA AS FOLLOWS:

- 3.1. **DECEMBER 1, 2015 SPECIAL CITY COUNCIL MEETING MINUTES AND DECEMBER 1, 2015 CITY COUNCIL MEETING MINUTES.**
- 3.2. **PAYMENT OF BILLS FROM DECEMBER 2, 2015 THROUGH JANUARY 5, 2016.**
- 3.3. **FINANCIAL REPORT ENDING NOVEMBER 30, 2015.**

- 3.4. LIBRARY REPORTS FOR DECEMBER 2015 AND JANUARY THROUGH DECEMBER 2015.
- 3.5. RESOLUTION 16-01 ACCEPTING CONTRIBUTIONS FROM NOVEMBER 19, 2015 THROUGH DECEMBER 22, 2015.
- 3.6. QUARTERLY UTILITY BILLING ADJUSTMENT REPORT FROM OCTOBER 1, 2015 THROUGH DECEMBER 31, 2015.
- 3.7. REFUSE HAULER'S LICENSES FOR 2016.
- 3.8. SPECIAL EVENT PERMITS FOR THE 27TH ANNUAL TOUR OF LAKES BICYCLE RIDE AND RUN FOR DRU EVENTS.
- 3.9. REQUEST FOR UTILITY REIMBURSEMENT FROM PATRICIA HEALD IN THE AMOUNT OF \$1,316.61.

COUNCIL MEMBER LOUKOTA SECONDED THE MOTION. MOTION CARRIED 4-0.

4. Open Forum

No one appeared for open forum.

5. Presentations

There were no presentations.

6. Planning and Zoning

6.1. Planning Commission Report

The December 21, 2015 Planning Commission Report was received by Council.

6.2. Planning Commission Year-End Report

Dawn Bittner presented the Year End Review for the Planning and Zoning Department. She highlighted the following for 2015.

- The Planning and Zoning Department brought forth six ordinance amendments.
- In 2015, 93 applications were received, of which 88% were handled by staff.
- There has been a steady decrease in enforcement actions since 2009 due to the diligence in enforcing the City Code.
- Survey results for the Planning and Zoning Department have a low return rate.

Council Member Akerson questioned the subsurface sewage treatment system compliance inspection policy and the need for an inspection every three years. Ms. Bittner noted that this policy was adopted by the City Council and is pursuant to rules set forth by the MPCA.

Mayor Sjoblad commended Dawn Bittner on her handling of duties within the Planning and Zoning Department and thanked her for her good work.

7. Fire

The December 2015 Fire Department Operations Report was distributed to the Council.

7.1 Thermal Imaging Cameras

COUNCIL MEMBER AKERSON MOVED TO APPROVE THE PURCHASE OF TWO BULLARD ECLIPSE THERMAL IMAGING CAMERAS FROM HEIMAN FIRE EQUIPMENT FOR A TOTAL COST OF \$16,390 TO BE PAID FROM THE FIRE FUND. COUNCIL MEMBER PEDERSON SECONDED THE MOTION. MOTION CARRIED 4-0.

8. Police

Mayor Sjoblad commended the Police Department on their recent arrest at the Pequot Lakes SuperAmerica.

9. Public Works

9.1. Engineering Services for 2016

Tim Houle addressed the Council and thanked them for the opportunity to provide engineering and architectural services to the City through the years. He noted that Widseth Smith Nolting does not charge service fees for attending Council meetings and their firm has sixty employees located in the Crow Wing County area.

COUNCIL MEMBER LOUKOTA MOVED TO CONTINUE USING WIDSETH SMITH NOLTING AS THE CITY'S ENGINEERS FOR 2016. COUNCIL MEMBER AKERSON SECONDED THE MOTION. MOTION CARRIED 4-0.

9.2. CSAH 11 Traffic Detour

Mayor Sjoblad noted that the City Council is considering two options for a traffic detour of CSAH 11 during the Highway 371 expansion project. He asked if there was anyone present who wanted to make a public comment. No further public comments were made.

Tim Houle informed the Council that a group consisting of Mayor Sjoblad, Council Member Loukota, Nancy Malecha, Mike Loven, and himself met last week to discuss 26 proposed conditions for Council consideration. These conditions were drafted for Mathiowetz Construction to address on an ongoing basis during the CSAH 11 traffic detour. Mr. Houle then met with representatives from Mathiowetz Construction on the proposed conditions and the following are areas of their concern.

- #2 – This condition addresses very minimal construction equipment crossing of the re-routed CSAH 11. Brad Ommodt from Mathiowetz Construction noted that limiting the crossings to five a day would not be feasible.
- #5 – This condition addresses the duration of the temporary re-route from mid-May until November 1st. Mr. Ommodt stated that pushing up the timeline from November 30th to November 1st would be difficult for Mathiowetz Construction to meet.
- #6 – This condition addresses accommodating walkers and bikers on the Paul Bunyan Scenic Byway. Mr. Ommodt noted that MnDOT's requirements for this project are that they only have to handle vehicular traffic. He further noted that this is something Mathiowetz Construction would have to work with the County on for possible closure of the Byway during the project.
- #10 & 11 – These conditions address the wording and coordination of signage. Mr. Ommodt stated that Mathiowetz Construction would prefer that the City determine the signage wording and events.
- #13 – This condition addresses the bituminous base at the beginning and end of the re-route timeline. Mr. Ommodt noted his concern of laying only two inches of bituminous at the beginning of the re-route timeline and its ability to handle the high traffic volume. He stated that Mathiowetz Construction would like to lay four inches of bituminous at the beginning of the re-route timeline to deter future traffic problems causing the re-route to be shut down. Mr. Ommodt further noted that the construction contract does have a two year warranty.
- #16 & 17 – These conditions address the notifications and meetings of information as the project progresses. It was noted that MnDOT would take the lead on these notifications.
- #18 & 20 – These conditions address maintenance items on removal of road kill, debris, and snow. Mr. Ommodt noted that

Mathiowetz Construction would not be in favor of these conditions and believes this would be the County's responsibility. It was noted that the County is open to further discussions to reach an understanding. Mr. Ommodt further noted that Mathiowetz Construction would take care of sweeping the re-route if they are responsible for its causation.

- #26 – This condition addresses that no additional cost will be incurred by the City, County, or MnDOT for the conditions presented. Mathiowetz Construction is requesting that the City contribute \$15,000 towards the paving of Derksen Road otherwise this portion would be milled back up after the re-route is done. Mr. Ommodt noted that if the City were to pave this road it could cost up to \$75,000.

COUNCIL MEMBER AKERSON MOVED TO APPROVE OPTION 2 – DERKSEN ROAD AS THE PREFERRED TRAFFIC DETOUR OF CSAH 11 DURING THE HIGHWAY 371 EXPANSION PROJECT. COUNCIL MEMBER PEDERSON SECONDED THE MOTION. MOTION CARRIED 4-0.

9.3. Highway 371 City Coordination Team

Tim Houle informed the Council that the purpose of the Highway 371 City Coordination Team would be to coordinate Highway 371 expansion project issues that may arise between Council meetings.

COUNCIL MEMBER AKERSON MOVED TO APPOINT A HIGHWAY 371 CITY COORDINATION TEAM CONSISTING OF MAYOR SJOBLAD, COUNCIL MEMBER LOUKOTA, NANCY MALECHA, MIKE LOVEN, DAWN BITTNER, JENNA CRAWFORD, AND TIM HOULE. COUNCIL MEMBER PEDERSON SECONDED THE MOTION. MOTION CARRIED 4-0.

9.4. Draft Reissued State Disposal System Permit (SDS)

Tim Houle informed the Council that the Minnesota Pollution Control Agency (MPCA) has issued a draft SDS Permit. In cooperation with the MPCA the City is applying for both the construction modification permit and the SDS renewal permit. Mr. Houle noted that the public comment period for this draft permit concludes on January 19th. Tim Houle, Mike Loven, Andy Schwartz, and John Monnier have met and reviewed this draft document and they have no comments to submit on the City's behalf.

9.5. Advertise for Bids for WWTF Row Irrigation Project

Tim Houle requested authorization from the Council to advertise for public bids for the row irrigation system and he reviewed the suggested timeline.

MAYOR SJOBLAD MOVED TO ADVERTISE FOR BIDS FOR THE WASTEWATER TREATMENT FACILITY ROW IRRIGATION PROJECT. COUNCIL MEMBER AKERSON SECONDED THE MOTION. MOTION CARRIED 4-0.

10. Administration

The December 10, 2015 draft Park Commission minutes and the December 15, 2015 HRA minutes were received by Council.

10.1. Annual Appointments

Council discussion took place on possible changes to the 2016 annual appointments now that the City has an administrator. Nancy Malecha noted that the Council may want to consider changing the roles of Council liaisons for City departments and appoint her as the primary contact for department heads and have the Council liaisons become the secondary contact. She further recommended that the Council liaison roles on the City's boards and commissions could remain the same with the exception of adjusting the Planning Commission liaison to match the monthly rotation schedule.

MAYOR SJOBLAD MOVED TO AUTHORIZE THE 2016 ANNUAL APPOINTMENTS AS RECOMMENDED. COUNCIL MEMBER LOUKOTA SECONDED THE MOTION. MOTION CARRIED 4-0.

10.2. Annual Official Depositories

COUNCIL MEMBER LOUKOTA MOVED TO ADOPT RESOLUTION 16-02 APPOINTING AMERICAN NATIONAL BANK, FIRST NATIONAL BANK, AND WELLS FARGO BANK AS THE CITY'S OFFICIAL DEPOSITORIES FOR 2016. COUNCIL MEMBER AKERSON SECONDED THE MOTION. MOTION CARRIED 4-0.

10.3. Designation of Official Newspaper

COUNCIL MEMBER PEDERSON MOVED TO ADOPT RESOLUTION 16-03 DESIGNATING THE ECHO JOURNAL AS THE MAIN OFFICIAL NEWSPAPER AND THE BRAINERD DISPATCH AS THE SECONDARY OFFICIAL NEWSPAPER FOR THE CITY FOR 2016. COUNCIL

MEMBER LOUKOTA SECONDED THE MOTION. MOTION CARRIED 4-0.

10.4A. Economic Development Commission Appointments

MAYOR SJOBLAD MOVED TO APPOINT MARK JURCHEN TO THE ECONOMIC DEVELOPMENT COMMISSION FOR A THREE-YEAR TERM EXPIRING ON DECEMBER 31, 2018. COUNCIL MEMBER AKERSON SECONDED THE MOTION. MOTION CARRIED 4-0.

10.4B. Housing and Redevelopment Authority Appointments

COUNCIL MEMBER AKERSON MOVED TO APPOINT ROBERT RITTER TO THE HOUSING AND REDEVELOPMENT AUTHORITY FOR A FIVE-YEAR TERM EXPIRING ON DECEMBER 31, 2020. MAYOR SJOBLAD SECONDED THE MOTION. MOTION CARRIED 4-0.

10.4C. Library Board Appointments

COUNCIL MEMBER AKERSON MOVED TO APPOINT RENEE MOODIE, KEVIN OLSON, AND MARY KAY SPIZZO TO THE LIBRARY BOARD FOR THREE-YEAR TERMS EXPIRING ON DECEMBER 31, 2018. MAYOR SJOBLAD SECONDED THE MOTION. MOTION CARRIED 4-0.

10.4D. Park Commission Appointments

COUNCIL MEMBER LOUKOTA MOVED TO APPOINT CRAIG NAGEL TO THE PARK COMMISSION FOR A THREE-YEAR TERM EXPIRING ON DECEMBER 31, 2018. MAYOR SJOBLAD SECONDED THE MOTION. MOTION CARRIED 4-0.

10.4E. Planning Commission Appointments

COUNCIL MEMBER LOUKOTA MOVED TO APPOINT MARK HALLAN, MARK MORTENSON, AND NATHAN NORTON TO THE PLANNING COMMISSION FOR THREE-YEAR TERMS EXPIRING ON DECEMBER 31, 2018. COUNCIL MEMBER AKERSON SECONDED THE MOTION. MOTION CARRIED 4-0.

10.5. Consider Proposal for Insurance Agent of Record for 2016

COUNCIL MEMBER LOUKOTA MOVED TO REAPPOINT FIRST NATIONAL BANK INSURANCE SERVICES AS THE INSURANCE

AGENT OF RECORD FOR 2016. COUNCIL MEMBER PEDERSON SECONDED THE MOTION. MOTION CARRIED 4-0.

10.6. Call Special Council Meeting for January 28th

MAYOR SJOBLAD MOVED TO CALL A SPECIAL CITY COUNCIL MEETING FOR JANUARY 28, 2016 AT 6:00 P.M. COUNCIL MEMBER AKERSON SECONDED THE MOTION. MOTION CARRIED 4-0.

10.7. Change Date of March Council Meeting

Nancy Malecha informed the Council that due to the 2016 Political Party Precinct Caucuses the March 1, 2016 Council Meeting date will need to change.

COUNCIL MEMBER AKERSON MOVED TO CHANGE THE REGULARLY SCHEDULED CITY COUNCIL MEETING FROM MARCH 1, 2016 TO FEBRUARY 29, 2016 AT 6:30 P.M. COUNCIL MEMBER LOUKOTA SECONDED THE MOTION. MOTION CARRIED 4-0.

10.8. City Administrator/Clerk's Quarterly Review

The Council discussed the process to conduct Nancy Malecha's quarterly performance review as City Administrator/Clerk. The Council reviewed the e-mail recommendation from Gary Weiers from David Drown Associates. The consensus of the Council was to proceed with Nancy Malecha's performance reviews as outlined in Gary Weier's e-mail with the quarterly reviews performed by the Personnel Committee.

10.9. Kitchigami Regional Library System Service Contract

COUNCIL MEMBER LOUKOTA MOVED TO APPROVE THE KITCHIGAMI REGIONAL LIBRARY SYSTEM SERVICE CONTRACT FOR 2016. COUNCIL MEMBER PEDERSON SECONDED THE MOTION. MOTION CARRIED 4-0.

10.10 Special Meeting Pay for Council

Council Member Akerson expressed his disagreement with the practice of Council Members only receiving special meeting pay when these meetings are held on different dates from regular Council meetings. He stated that the City Code is rather clear that special meeting pay should be for any and all special meetings. Nancy Malecha noted that past precedence has been to pay Council Members for special meetings only

when these meetings are held on different dates from regular Council meetings. The consensus of the Council was to follow the City Code and pay Council Members for any and all special meetings regardless of the date they are held.

11. Other Business

There was no other business.

12. Adjournment

There being no further business, **COUNCIL MEMBER LOUKOTA MOVED TO ADJOURN. COUNCIL MEMBER AKERSON SECONDED THE MOTION. MOTION CARRIED 4-0.**

The meeting of the City Council adjourned at 7:56 p.m.

Respectfully submitted,



Nancy Malecha
City Administrator/Clerk



David Sjoblad
Mayor