



AGENDA ITEM #3.1

REPORT TO CITY COUNCIL

Report Prepared by: Nancy Malecha

Date: May 3, 2016

Subject: City Council Minutes

Report: The minutes for the April 5, 2016 City Council Meeting are attached for your review.

Council Action Requested: Council motion approving the City Council Meeting minutes for the April 5, 2016 meeting.

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

Members Present: Mayor Sjoblad, Council Members Karr, Loukota, Pederson, and Akerson (arrived at 6:32 p.m.)

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 items 11.1 – Highway 371 Groundbreaking Ceremony and 11.2 – Thriving Communities Initiative.

COUNCIL MEMBER PEDERSON MOVED TO APPROVE THE AGENDA AS AMENDED WITH THE ADDITION OF ITEM 11.1 – HIGHWAY 371 GROUNDBREAKING CEREMONY AND 11.2 – THRIVING COMMUNITIES INITIATIVE. COUNCIL MEMBER LOUKOTA SECONDED THE MOTION. MOTION CARRIED 4-0.

3. Consent Agenda

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

- 3.1. **FEBRUARY 29, 2016 SPECIAL AND REGULAR CITY COUNCIL MEETING MINUTES.**
- 3.2. **PAYMENT OF BILLS FROM MARCH 1, 2016 THROUGH APRIL 5, 2016.**
- 3.3. **FINANCIAL REPORT ENDING FEBRUARY 29, 2016.**
- 3.4. **LIBRARY REPORT FOR MARCH 2016.**
- 3.5. **RESOLUTION 16-08 ACCEPTING CONTRIBUTIONS FROM FEBRUARY 19, 2016 THROUGH MARCH 24, 2016.**
- 3.6. **MCFOA GRANT FOR CLERKS INSTITUTE.**

3.7. SPECIAL EVENT PERMITS FOR THE JUNE 4TH CHERRY CAR SHOW AND THE AUGUST 13TH CHOKECHERRY FESTIVAL.

3.8. QUARTERLY UTILITY BILLING ADJUSTMENT REPORT FOR JANUARY THROUGH MARCH OF 2016.

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

4. Open Forum

No one appeared at open forum.

5. Presentations

There were no presentations.

6. Planning and Zoning

6.1. Planning Commission Report

The March 21, 2016 Planning Commission Report and March 17, 2016 draft Planning Commission/Board of Adjustment minutes were received by Council.

6.2. Ordinance Amendment

Dawn Bittner explained that a local contractor noted that the City's ordinance for extractive use was vague. The Planning Commission is recommending the proposed amendment which would include a survey and two additional maps.

(Council Member Akerson arrived at the meeting.)

COUNCIL MEMBER LOUKOTA MOVED TO ADOPT ORDINANCE 16-02 TO AMEND SECTION 17-8.5 EXTRACTIVE USES AND RESTORATION. COUNCIL MEMBER KARR SECONDED THE MOTION. MOTION CARRIED 5-0.

COUNCIL MEMBER LOUKOTA MOVED TO AUTHORIZE A SUMMARY PUBLICATION OF ORDINANCE 16-02. COUNCIL MEMBER PEDERSON SECONDED THE MOTION. MOTION CARRIED 5-0.

7. Fire

The February and March 2016 Fire Department Operation Reports were received by Council.

8. Police

8.1. Joint Powers Agreement

COUNCIL MEMBER PEDERSON MOVED TO ADOPT RESOLUTION 16-09 APPROVING STATE OF MINNESOTA JOINT POWERS AGREEMENTS WITH THE CITY OF PEQUOT LAKES ON BEHALF OF ITS CITY PROSECUTING ATTORNEY AND POLICE DEPARTMENT, AND APPROVE THE STATE OF MINNESOTA JOINT POWERS AGREEMENT AND COURT DATA SERVICES SUBSCRIBER AMENDMENT TO CJDN SUBSCRIBER AGREEMENT. COUNCIL MEMBER AKERSON SECONDED THE MOTION. MOTION CARRIED 5-0.

9. Public Works

9.1. Consider Bids for Pequot Boulevard Improvements

Tim Houle informed the Council that the City received three bids for the Pequot Boulevard Improvements project ranging in cost from \$92,616.70 to \$111,000.00 with Anderson Brother Construction Company as the low bidder.

MAYOR SJOBLAD MOVED TO AWARD THE CONSTRUCTION CONTRACT FOR THE 2016 PEQUOT BOULEVARD IMPROVEMENTS TO ANDERSON BROTHERS CONSTRUCTION COMPANY OF BRAINERD FOR THEIR UNIT PRICE BID OF \$92,616.70. COUNCIL MEMBER AKERSON SECONDED THE MOTION. MOTION CARRIED 5-0.

9.2. Change Order No. 1 – Overlay

Mike Loven explained the overlay change order request for West Sibley Street which will also include shouldering and driveway approaches. He noted that this request will be paid from the 2016 Roads and Streets capital outlay budget.

COUNCIL MEMBER KARR MOVED TO APPROVE CHANGE ORDER NO. 1 FROM ANDERSON BROTHERS CONSTRUCTION COMPANY TO INCLUDE AN OVERLAY OF WEST SIBLEY STREET IN THE AMOUNT OF \$45,034.40 TO BE PAID FROM THE ROADS AND

STREETS CAPITAL OUTLAY BUDGET. COUNCIL MEMBER AKERSON SECONDED THE MOTION. MOTION CARRIED 5-0.

9.3. Construction Phase Engineering Services Proposal

Tim Houle explained that the Construction Phase Engineering Services Proposal from Widseth Smith Nolting (WSN) for the Pequot Boulevard project highlights administration, construction staking, and onsite construction observation as needed.

Council Member Loukota questioned the amount of the proposal. He noted that the estimated price of \$19,200 added to the previous engineering amount paid in July equates to one-third of the total project cost. Tim Houle explained that the lower bituminous prices can construe the cost percentage of engineering services.

Council Member Pederson questioned where the bulk of the engineering costs come from. Tim Houle explained that construction staking and administration make up the bulk of this Proposal. He further noted that this Proposal is an estimate of hours and is by no means final.

Mayor Sjoblad stated that the Pequot Boulevard project is a tricky project and this is why the City hires engineers.

Council Member Karr noted that at this point the City needs to proceed with this proposal and project but he would like to see a complete bid project price at the beginning of the process.

MAYOR SJOBLAD MOVED TO APPROVE THE CONSTRUCTION PHASE ENGINEERING SERVICES PROPOSAL FROM WIDSETH SMITH NOLTING FOR THE PEQUOT BOULEVARD PROJECT FOR AN ESTIMATED AMOUNT OF \$19,200. COUNCIL MEMBER AKERSON SECONDED THE MOTION. MOTION CARRIED 3-2. COUNCIL MEMBERS LOUKOTA AND PEDERSON OPPOSED.

Mayor Sjoblad requested that WSN conduct educational settings for their proposals in the future.

9.4. Small Cities Assistance Aid Projects

Mike Loven informed the Council that the City received \$45,889 in Small Cities Assistance Aid from the State of Minnesota in 2015. He is requesting to use these funds for crackfilling, pothole repairs, and shouldering of necessary City streets as well as curb and gutter repairs

along Front and Main Streets of which Crow Wing County will contribute 50%.

COUNCIL MEMBER LOUKOTA MOVED TO AUTHORIZE REPAIR AND MAINTENANCE OF CITY STREETS AS DEEMED NECESSARY BY THE PUBLIC WORKS SUPERVISOR USING FUNDS RECEIVED FROM THE SMALL CITIES ASSISTANCE AID. COUNCIL MEMBER AKERSON SECONDED THE MOTION. MOTION CARRIED 5-0.

9.5. Highway 371 City Coordination Team Meeting Update

Tim Houle updated the Council on items the Highway 371 City Coordination Team discussed at their meeting on March 22nd. These items included communication channels, CSAH 11 temporary route conditions, signs, forcemain update, row irrigation update, landscape plan, and haul roads.

9.6. Street Names

Nancy Malecha informed the Council that the Highway 371 City Coordination Team reviewed the street name segments that needed consideration due to the Highway 371 Expansion Project. The City received approval from the County E911 Coordinator that the recommended names are available for use.

Council Member Karr questioned if the City could provide assistance to businesses along existing Highway 371 whose addresses will change. Dawn Bittner stated that Crow Wing County will not allow these businesses to keep their existing address numbers and the City will send notification to affected property owners this Fall.

COUNCIL MEMBER PEDERSON MOVED TO APPROVE THE RECOMMENDED STREET NAMES AS PRESENTED BY THE HIGHWAY 371 CITY COORDINATION TEAM AS FOLLOWS:

- **NEW INTERSECTION/NEW SEGMENT OF POW WOW POINT TO OLSON ROAD WILL BECOME OLSON ROAD TO THE NORTH AND POW WOW POINT ROAD TO THE SOUTH.**
- **TIMBERJACK FRONTAGE ROAD SOUTH FROM CR 168 WILL BECOME PETERSON PATH.**
- **EXISTING STATE HIGHWAY 371 FROM CR 168 TO NEW EXTENSION OF CR 17 WILL BECOME PATRIOT AVENUE.**
- **ACCESS ROAD TO BENVILLE AND CITY PONDS FROM CR 11 WILL BECOME KNOTTY PINE ROAD.**

- **CR 11 WEST TO NEW ALIGNMENT WILL BECOME MAIN STREET.**
- **OLD HIGHWAY 371 FROM INTERSECTION WITH DERKSEN ROAD NORTH TO NEW EXTENSION OF CR 17 WILL BECOME RASMUSSEN ROAD.**

COUNCIL MEMBER LOUKOTA SECONDED THE MOTION. MOTION CARRIED 5-0.

The consensus of the Council was to invite Mathiowetz Construction to monthly Council meetings to provide updates.

10. Administration

The following items were received by Council.

- March 9, 2016 Summary of Trailside Park Master Planning Meeting
- March 10, 2016 draft Park Commission minutes
- March 15, 2016 draft EDC minutes
- March 15, 2016 HRA minutes

10.1. Economic Development Commission Appointment

COUNCIL MEMBER KARR MOVED TO APPOINT AMY SJOBLAD 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. MAYOR SJOBLAD ABSTAINED.

10.2. Administration Department Council Liaisons

Nancy Malecha informed the Council that the current Council liaisons for the administration department are Greg Karr (primary) and Randy Loukota (secondary). She is wondering if the Council would consider changing these to the Mayor and Mayor Pro-Tem as she currently keeps the Mayor or Mayor Pro-Tem informed of extraordinary issues that occur and pull the rest of the Council in as needed.

COUNCIL MEMBER KARR MOVED TO CHANGE THE COUNCIL LIAISONS FOR THE ADMINISTRATION DEPARTMENT TO MAYOR SJOBLAD (PRIMARY) AND MAYOR PRO-TEM PEDERSON (SECONDARY). COUNCIL MEMBER LOUKOTA SECONDED THE MOTION. MOTION CARRIED 5-0.

10.3. Revised Job Descriptions

Nancy Malecha informed the Council that at the September 23rd Council Meeting, the Council promoted herself and Deb Marty but did not revise the job descriptions to coincide with the new job duties and points. The Personnel Committee has reviewed the revisions as noted in red and as strikethroughs and are recommending their approval.

COUNCIL MEMBER KARR MOVED TO APPROVE THE AMENDED JOB DESCRIPTIONS FOR THE POSITIONS OF DEPUTY CITY CLERK AND CITY ADMINISTRATOR/CLERK. COUNCIL MEMBER AKERSON SECONDED THE MOTION. MOTION CARRIED 5-0.

10.4. Deputy City Clerk Probationary Period

Nancy Malecha explained to the Council that Deb Marty has successfully completed her probationary period as Deputy City Clerk effective 3-28-16.

COUNCIL MEMBER AKERSON ACKNOWLEDGED SUCCESSFUL COMPLETION OF DEB MARTY'S PROBATIONARY PERIOD AS DEPUTY CITY CLERK EFFECTIVE 3-28-16. COUNCIL MEMBER KARR SECONDED THE MOTION. MOTION CARRIED 5-0.

10.5. City Administrator/Clerk Probationary Period

Nancy Malecha explained to the Council that Mayor Sjoblad and Council Member Pederson conducted her six-month performance review on March 11th. They noted that she is meeting the performance expectations of the City Administrator/Clerk position. Per the Employment Agreement between the City and Nancy Malecha, a salary adjustment consistent with the approved salary schedule would become effective on 3-28-16.

MAYOR SJOBLAD AUTHORIZED A PAY INCREASE FOR NANCY MALECHA EFFECTIVE MARCH 28, 2016 BY MOVING FROM STEP 1 TO STEP 1.5 OF THE CITY'S PAY STRUCTURE. COUNCIL MEMBER LOUKOTA SECONDED THE MOTION. MOTION CARRIED 5-0.

10.6. 2017 Preliminary Budget Discussion

Nancy Malecha informed the Council that the 2017 budgetary process will begin in May and she is looking for direction from the Council as to budget increases or decreases for next year. She noted that the five year history of preliminary budgets versus final budgets was included in the agenda packet.

Mayor Sjoblad stated that he would like to see preliminary budget numbers tightened to coincide with final budget numbers.

Council Member Pederson noted that direction is helpful as it diminishes wasted time.

The consensus of the Council directed the City Administrator to compile the 2017 budgets with no more than a 3% increase recognizing that changes can be made as deemed necessary by the Council and further instructed the City Administrator to survey what other cities of similar size offer in pay and benefits to their employees.

10.7. Vision Statement for City

Nancy Malecha informed the Council that at the February 29th City Council Meeting information was received from Mayor Sjoblad and Council Member Pederson relating to the City's vision statement. Various committees and community organizations have been informed of this task and no further input has been received.

Mayor Sjoblad instructed the remaining three Council Members to submit their contributions towards a vision statement to Nancy Malecha prior to the next Council meeting.

11. Other Business

11.1. Highway 371 Groundbreaking Ceremony

Nancy Malecha informed the Council on the plans for the Highway 371 Groundbreaking Ceremony and Open House. She noted that the Ceremony will be held on April 15th beginning at 4:10 p.m. at the Trailside Park in Pequot Lakes with an Open House from 4:30 p.m. to 6:30 p.m. at the Cole Memorial Building.

11.2. Thriving Communities Initiative

Nancy Malecha informed the Council about a collaborative meeting with the Initiative Foundation, City, Chamber, and School District representatives to discuss the Thriving Communities Initiative. This Initiative engages community leaders and citizens to plan for the future through leadership, dialog, and engagement to identify assets, challenges, and goals for a community. The Initiative Foundation sponsors this Initiative by providing funding assistance, training, technical assistance, and resource referral. The hope is to begin this Initiative in 2017.

12. Adjournment

There being no further business, **COUNCIL MEMBER LOUKOTA
MOVED TO ADJOURN. COUNCIL MEMBER AKERSON SECONDED
THE MOTION. MOTION CARRIED 5-0.**

The meeting of the City Council adjourned at 7:41 p.m.

Respectfully submitted,

Nancy Malecha
City Administrator/Clerk

David Sjoblad
Mayor