MEETING OF THE PEQUOT LAKES CITY COUNCIL
TUESDAY, OCTOBER 4, 2016
PEQUOT LAKES CITY HALL

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

Staff Present: Nancy Malecha, City Administrator/Clerk; Sheri Fyle, Police Officer; Ryan Franz, Police Officer; 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

Council Member Loukota requested to add item 9.4 - Myers Road/9th Avenue to the agenda. Nancy Malecha requested to add item 5.2 - Introduction of Ryan Franz to the agenda.

COUNCIL MEMBER AKERSON MOVED TO APPROVE THE AGENDA AS AMENDED TO INCLUDE ITEMS 9.4 MYERS ROAD/9TH AVENUE AND 5.2 INTRODUCTION OF RYAN FRANZ. COUNCIL MEMBER KARR SECONDED THE MOTION. MOTION CARRIED 5-0.

3. Consent Agenda

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

- **3.1. SEPTEMBER 6, 2016 CITY COUNCIL MEETING MINUTES.**
- **3.2. PAYMENT OF BILLS FROM SEPTEMBER 7, 2016 THROUGH OCTOBER 4, 2016.**
- **3.3. FINANCIAL REPORT ENDING AUGUST 31, 2016.**
- **3.4. LIBRARY REPORT FOR SEPTEMBER 2016.**
- **3.5. RESOLUTION 16-21 ACCEPTING CONTRIBUTIONS FROM AUGUST 26, 2016 THROUGH SEPTEMBER 22, 2016.**
- **3.6. REQUEST FOR UTILITY BILLING ADJUSTMENT FROM RAMONA MORRISON IN THE AMOUNT OF $1,192.45.**

3.7. QUARTERLY UTILITY BILLING ADJUSTMENT REPORT FOR JULY THROUGH SEPTEMBER OF 2016.

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

4. Open Forum

Russ Powell, 5970 North Sluetter Road, Pequot Lakes, addressed the Council. Mr. Powell explained the road condition of North Sluetter Road and the need for an evaluation of these conditions that exist throughout the year. Mr. Powell requested the City establish a proper maintenance plan for North Sluetter Road, costs associated with this plan, and future blacktopping with the possibility of funding by special assessments.

Jason Baca, 32514 County Road 112, Pequot Lakes, addressed the Council. Mr. Baca stated that he is being robbed by the City with a property tax increase of 10.5%. Mr. Baca noted that he would like the City to reduce the police budget to $175 per capita as $235 per capita is excessive for a community of our size. He advised the Council to reduce the police force as excess policing leads to excessive nagging.

5. Presentations

5.1. Highway 371 Expansion Project Update

Randy Shoen and Dave Domm from Mathiowetz Construction updated the Council on the Highway 371 Expansion Project. They noted the County Road 11 roundabouts are being paved next week and the bridge railing is yet to be installed. The re-opening of County Road 11 is scheduled for November 1st. County Road 112 and Myers Road will also be re-opened before winter. MnDOT has scheduled a Highway 371 Open House for October 25th at the Cole Memorial Building from 5:30 p.m. to 7:30 p.m. to inform the public on current and future progress.

5.2. Introduction of Ryan Franz

Nancy Malecha introduced Police Officer Ryan Franz to the Council. Mr. Franz has been with the City for approximately two weeks.

6. Planning and Zoning

6.1. Planning Commission Report

The September 15, 2016 draft Planning Commission minutes were received by Council.

7. Fire

The August 2016 Fire Department Operations Report was received by Council.

8. Police

8.1. City of Jenkins Law Enforcement Contract

Nancy Malecha informed the Council that the 2017 Law Enforcement Contract with Jenkins Township is similar to last year's agreement with the only change being a one-time payment of $900 for the purchase of an AED.

COUNCIL MEMBER AKERSON MOVED TO APPROVE THE 2017 LAW ENFORCEMENT CONTRACT AND JOINT POWERS AGREEMENT WITH JENKINS TOWNSHIP IN THE AMOUNT OF $27,024 PLUS A ONE-TIME PAYMENT OF $900 FOR THE PURCHASE OF AN AED. COUNCIL MEMBER LOUKOTA SECONDED THE MOTION. MOTION CARRIED 5-0.

8.2. Mallie Law Office Prosecution Agreement

Nancy Malecha informed the Council that the 2017 Prosecution Agreement with Mallie Law Office is similar to last year's agreement.

COUNCIL MEMBER AKERSON MOVED TO APPROVE THE 2017 PROSECUTION AGREEMENT WITH MALLIE LAW OFFICE IN THE AMOUNT OF $875 PER MONTH. COUNCIL MEMBER LOUKOTA SECONDED THE MOTION. MOTION CARRIED 5-0.

9. Public Works

9.1.A. Dog Park Donation

COUNCIL MEMBER AKERSON MOVED TO ADOPT RESOLUTION 16-22 ACCEPTING THE DOG PARK DONATION OF A TREE AND A BENCH FROM COMMUNITY ACTION OF PEQUOT LAKES. COUNCIL MEMBER KARR SECONDED THE MOTION. MOTION CARRIED 5-0.

9.1.B. Park Commission Appointment

COUNCIL MEMBER AKERSON MOVED TO RECOMMEND THE APPOINTMENT OF HEATHER PEARSON TO THE PARK COMMISSION FOR A PARTIAL TERM EXPIRING ON DECEMBER 31, 2017. COUNCIL MEMBER LOUKOTA SECONDED THE MOTION. MOTION CARRIED 5-0.

9.2. Public Restroom Update

Nancy Adams informed the Council that public restroom signs have been ordered and will be installed at the Library. She noted that the Library Board approved extending the Library's hours of operation on Saturdays until 4:00 p.m. and signs are displayed on entrance doors of businesses noting that public restroom facilities are located at the Pequot Lakes Library, Chamber, and City Hall buildings.

Council Member Akerson questioned if restroom modifications should still be made.

Nancy Adams noted the reason for extending the Library's hours of operation is to alleviate the need for modifications of the existing restroom facilities at the Library. She further questioned if City Hall could be retrofitted and utilized as a public restroom for Sundays.

Council Member Loukota noted the City will monitor this until December with the possibility of re-evaluation at that time.

9.3. Facility Addition Feasibility Study

Nancy Malecha informed the Council that the Building Committee met on September 15th and recommends the City Council proceed with the Feasibility Study to include only a new facility option consisting of 9,000 square feet with means for future expansion, a fabric dome type salt shed, and include information addressing the succinct list of items the Council has discussed at past meetings.

Ms. Malecha further noted that the Committee analyzed both current and future space needs for the public works department and determined that a 9,000 square foot structure is adequate and should be constructed with the possibility of future expansion.

Council Member Pederson stated the Study should explore if the entire structure needs in-floor heat and if there is any other City owned property that might be a more suitable location.

Mayor Sjoblad commented that the central location of the Derksen Road property is ideal for the public works facility.

COUNCIL MEMBER AKERSON MOVED TO PROCEED WITH THE FINAL VERSION OF THE MAINTENANCE DEPARTMENT FACILITY ADDITION FEASIBILITY STUDY TO INCLUDE A NEW 9,000 SQUARE FOOT STRUCTURE WITH A FABRIC DOME TYPE SALT SHED TO BE LOCATED ON FIVE ACRES ALONG DERKSEN ROAD ON THE CITY'S SPRAY IRRIGATION FIELD. COUNCIL MEMBER LOUKOTA SECONDED THE MOTION. MOTION CARRIED 5-0.

9.4. Myers Road/9th Avenue

Council Member Loukota explained that he was approached by Loon Lake Township on the possibility of a joint road project for Myers Road. The project would entail cutting down the hill and adding gravel to the entire road. This would be a 50/50 split cost with the City's share being approximately $11,000. Council Member Loukota noted that this project would not include re-shaping the corner to soften the curve on the north end.

Mike Loven informed the Council that the City has approximately 4.6 miles of gravel roads and of these over three miles are joint roads with Loon Lake Township. Mr. Loven noted that the Roads and Streets budgets for 2016 and 2017 do not account for this additional expense.

Council Member Pederson stated this may be an opportune time to sit down with Loon Lake Township representatives to discuss improvement possibilities for all joint roads.

The consensus of the Council agreed to not move forward with the Myers Road joint project with Loon Lake Township; however, they would be open to future discussions on joint road efforts.

10. Administration

The following items were received by Council.

- September 8, 2016 draft Park Commission minutes
- September 20, 2016 draft EDC minutes
- September 20, 2016 HRA minutes

10.1. Appointment of General Election Judges

COUNCIL MEMBER LOUKOTA MOVED TO ADOPT RESOLUTION 16-23 APPOINTING ELECTION JUDGES FOR THE 2016 GENERAL ELECTION ON NOVEMBER 8, 2016. COUNCIL MEMBER PEDERSON SECONDED THE MOTION. MOTION CARRIED 5-0.

10.2. Call Special Meeting to Canvass Election Results

Nancy Malecha informed the Council that per Minnesota Statute the time period to canvass results of the General Election is from November 11th through November 18th. Ms. Malecha recommended that the Council call a Special Meeting for Monday, November 14th to canvass these results.

COUNCIL MEMBER LOUKOTA MOVED TO CALL A SPECIAL COUNCIL MEETING FOR NOVEMBER 14, 2016 AT 5:15 P.M. FOR THE PURPOSE OF CANVASSING GENERAL ELECTION RESULTS. COUNCIL MEMBER KARR SECONDED THE MOTION. MOTION CARRIED 5-0.

10.3. 2017 City Tax Rate

Nancy Malecha informed the Council that the City's tax rate is not currently available from Crow Wing County due to reporting changes at the State level and staff changes at the County level. Ms. Malecha hopes to provide this information to the Council at the November 1st City Council Meeting.

10.4. Personnel Committee Recommendations

Nancy Malecha noted that the Personnel Committee met on September 6th and the Committee is recommending leave time changes to the City's Personnel Policy. These changes include increasing the accumulated compensatory time from 80 to 100 hours with a maximum compensatory time pay out of 100 hours per calendar year, adding the Day after Thanksgiving as a paid holiday, and increasing the accumulated carryover limit for vacation and compensatory time from 120 hours to 140 hours for full-time employees and pro-rated for eligible part-time employees. Ms. Malecha further noted that these changes will allow for consistency of leave time benefits between union and non-union employees.

MAYOR SJOBLAD MOVED TO APPROVE THE RECOMMENDED CHANGES TO THE CITY'S PERSONNEL POLICY WHICH INCLUDE

INCREASING THE COMPENSATORY TIME ACCUMULATION LIMT TO 100 HOURS WITH A MAXIMUM COMPENSATORY TIME PAY OUT OF 100 HOURS PER CALENDAR YEAR, ADDING THE DAY AFTER THANKSGIVING AS A PAID HOLIDAY, AND INCREASING THE YEAR-END CARRYOVER LIMIT TO 140 HOURS FOR FULL-TIME EMPLOYEES AND PRO-RATED FOR ELIGIBLE PART-TIME EMPLOYEES. COUNCIL MEMBER AKERSON SECONDED THE MOTION. MOTION CARRIED 5-0.

10.5. Municipal Advisor Services Agreement

Nancy Malecha informed the Council that she was recently made aware that financial consulting services with Springsted Inc. are now required to establish terms and condition, by contract, of their client engagements and the City does not currently have this agreement in place. Ms. Malecha further noted that the Agreement for Municipal Advisor Services has been reviewed by the City Attorney.

MAYOR SJOBLAD MOVED TO APPROVE THE AGREEMENT FOR MUNICIPAL ADVISOR SERVICES WITH SPRINGSTED INC. COUNCIL MEMBER PEDERSON SECONDED THE MOTION. MOTION CARRIED 5-0.

11. Other Business

There was no other business.

12. Closed Session in Accordance with M.S. 13D.05, Subd. 3(a) for the Performance of Nancy Malecha, City Administrator/Clerk

Mayor Sjoblad announced that this agenda item is for evaluation of the performance of Nancy Malecha, City Administrator, pursuant to Minnesota Statutes, section 13D.05, subdivision 3(a). This portion of the meeting will be closed because the City Council will be evaluating the performance of an individual subject to the City's authority – Nancy Malecha, City Administrator. Ms. Malecha has received notice of this meeting. Minnesota Statutes, section 13D.05, subdivision 3(a) provides that any portion of a meeting may be closed for this reason, unless the individual who is the subject of the meeting request that it be open. In this case, Ms. Malecha did not make such a request that the meeting be open.

Mayor Sjoblad further noted that only the officials and consultants of the City who reasonably require access to this data may be in attendance at any portion of the closed meeting for this agenda item.

COUNCIL MEMBER AKERSON MOVED TO CLOSE THE MEETING PURSUANT TO MINNESOTA STATUES, SECTION 13D.05, SUBDIVISION 3(a). COUNCIL MEMBER LOUKOTA SECONDED THE MOTION. MOTION CARRIED 5-0.

The Council went into closed session at 7:47 p.m.

The Council re-convened the open session at 8:00 p.m. and Mayor Sjoblad provided a summary of conclusions reached by the City Council from the October 4th closed meeting regarding the performance evaluation of Nancy Malecha.

13. 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 8:03 p.m.

Respectfully submitted,

Nancy Malecha
City Administrator/Clerk

David Sjoblad
Mayor

CLOSED MEETING OF THE PEQUOT LAKES CITY COUNCIL
TUESDAY, OCTOBER 4, 2016
PEQUOT LAKES CITY HALL

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

Staff Present: Nancy Malecha, City Administrator/Clerk

1. Closed Session in Accordance with M.S. 13D.05, Subd. 3(a) for the Performance of Nancy Malecha, City Administrator/Clerk

   The Council went into closed session at 7:47 p.m.

   Present at the closed session were: Mayor Sjoblad, Council Member Akerson, Council Member Karr, Council Member Loukota, Council Member Pederson, and City Administrator/Clerk Nancy Malecha.

   The closed session was electronically recorded pursuant to Minnesota Statutes, section 13D.05, subdivision 1.

   The Council discussed the agenda item.

2. Adjourn

   COUNCIL MEMBER AKERSON MOVED TO ADJOURN THE CLOSED MEETING OF THE PEQUOT LAKES CITY COUNCIL. COUNCIL MEMBER KARR SECONDED THE MOTION. MOTION CARRIED 5-0.

   The closed meeting of the City Council adjourned at 8:00 p.m.

Respectfully submitted,

Nancy Malecha
City Administrator/Clerk

David Sjoblad
Mayor