

**MEETING OF THE PEQUOT LAKES CITY COUNCIL
TUESDAY, MARCH 5, 2019
PEQUOT LAKES CITY HALL**

Members Present: Mayor Tayloe, Council Members Pederson, Seils, and Swanson

Members Absent: Council Member Akerson

Staff Present: Nancy Malecha, City Administrator; Jenny Peterson, Administrative Assistant; Dawn Bittner, Zoning Specialist; Tom Nelson, Fire Chief; Eric Klang, Police Chief; Jason Gorr, Public Works Director; and Tim Houle, City Engineer

1. Call Meeting to Order

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

1.1. Pledge of Allegiance

Mayor Tayloe led with the Pledge of Allegiance.

2. Consider Agenda

COUNCIL MEMBER PEDERSON MOVED TO APPROVE THE AGENDA AS PRESENTED. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 4-0.

3. Consent Agenda

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

- 3.1. **FEBRUARY 5, 2019 SPECIAL AND REGULAR CITY COUNCIL MEETING MINUTES.**
- 3.2. **CHECK REGISTER FROM FEBRUARY 6, 2019 TO MARCH 5, 2019.**
- 3.3. **FINANCIAL REPORT ENDING JANUARY 31, 2019.**
- 3.4. **NOVEMBER 2018 LIBRARY REPORT.**
- 3.5. **RESOLUTION 19-08 ACCEPTING CONTRIBUTIONS FROM JANUARY 28, 2019 THROUGH FEBRUARY 20, 2019.**
- 3.6. **A WORKPLACE ACCIDENT AND INJURY REDUCTION (AWAIR) PROGRAM.**

**3.7. SPECIAL EVENT PERMITS FOR STARS AND STRIPES DAYS
AND BEAN HOLE DAYS.**

**COUNCIL MEMBER PEDERSON SECONDED THE MOTION. MOTION
CARRIED 4-0.**

4. Open Forum

Bill Brekken, 20891 Donaldson Road, Brainerd, addressed the Council. Mr. Brekken stated he is the new Crow Wing County Commissioner for District 2 and he is open to working with the City on anything we need help with.

Council Member Swanson questioned what his job as County Commissioner entails.

Mr. Brekken noted the County is responsible for setting tax levies, County roads, health and human services, and land services. He is focused on economic development, housing, and working together. Mr. Brekken further noted that District 2 generates 35-40% of all revenue for the County because of the lakes area.

5. Presentations

There were no presentations.

6. Planning and Zoning

6.1. Planning Commission Report

The February 27, 2019 Planning Commission Report and February 21, 2019 draft Planning Commission minutes were received by Council.

6.2. Residential-Golf Course Community Overlay District Ordinance
Amendment

Dawn Bittner informed the Council that this ordinance amendment is to create a Residential-Golf Course Community Overlay District to allow a higher density in a specific area next to the Preserve Golf Course for a planned unit development with single family dwellings. Ms. Bittner stated the Planning Commission unanimously recommends the creation of this District.

COUNCIL MEMBER PEDERSON MOVED TO ADOPT ORDINANCE 19-01 AMENDING CHAPTER 17 OF THE CITY CODE ESTABLISHING A RESIDENTIAL-GOLF COURSE COMMUNITY OVERLAY DISTRICT. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 4-0.

COUNCIL MEMBER SWANSON MOVED TO AUTHORIZE THE SUMMARY PUBLICATION OF ORDINANCE 19-01. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 4-0.

6.3. Exterior Storage Ordinance Amendment

Dawn Bittner explained there is not a one size fits all for exterior storage. Exterior storage requirements in urban residential zones were the same as agricultural zones so a table was developed that breaks down the classifications to be more fair.

Council Member Swanson questioned the stricken language on boats exceeding 20 feet in length.

Ms. Bittner noted this ordinance amendment will now include any boat.

COUNCIL MEMBER SEILS MOVED TO ADOPT ORDINANCE 19-02 AMENDING CHAPTER 17 OF THE CITY CODE REGARDING DEFINITIONS AND EXTERIOR STORAGE. COUNCIL MEMBER SWANSON SECONDED THE MOTION. MOTION CARRIED 4-0.

Council Member Swanson questioned the gray area with all the storage.

Ms. Bittner stated they are trying to better define and make it more fair by breaking the classifications apart.

COUNCIL MEMBER PEDERSON MOVED TO AUTHORIZE THE SUMMARY PUBLICATION OF ORDINANCE 19-02. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 4-0.

6.4. Zoning District Provisions and Overlay Districts Ordinance Amendment

Dawn Bittner informed the Council that when the Short-Term Rental Ordinance was approved the statement regarding four leases per year should have been stricken and not all of the overlay districts were listed in Section 17-6.1 of the City Code. These items have been corrected and the Planning Commission recommends approval of the ordinance amendment to do so.

COUNCIL MEMBER PEDERSON MOVED TO ADOPT ORDINANCE 19-03 AMENDING CHAPTER 17 OF THE CITY CODE REGARDING ZONING DISTRICT PROVISIONS AND OVERLAY DISTRICTS. COUNCIL MEMBER SWANSON SECONDED THE MOTION. MOTION CARRIED 4-0.

COUNCIL MEMBER SEILS MOVED TO AUTHORIZE THE SUMMARY PUBLICATION OF ORDINANCE 19-03. COUNCIL MEMBER SWANSON SECONDED THE MOTION. MOTION CARRIED 4-0.

7. Fire

The 2018 Fire Department Annual Report, January 2019 Fire Department Operations Report, and the February 13, 2019 Fire Board Meeting minutes were received by Council.

7.1. Request for Meeting Room Addition

Tom Nelson explained the Fire Department's request to build a storage room to address their storage issues with monies from their pancake breakfast fund, also known as the Fire Relief General Fund.

Council Member Swanson questioned if this will deplete the pancake breakfast fund and if a second floor is needed.

Mr. Nelson stated the fund will not be depleted and a second floor is not needed at this time.

COUNCIL MEMBER PEDERSON MOVED TO APPROVE THE FIRE DEPARTMENT'S STORAGE ROOM ADDITION AS PRESENTED IN THE AMOUNT OF \$3,000 TO BE PAID FROM FIRE RELIEF GENERAL FUND MONIES. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 4-0.

Mr. Nelson requested the City review its policy regarding the snow removal at fire hydrants.

Nancy Malecha explained that past precedence has been that the water/wastewater operators remove this snow; however, with the high snowfall amount they have been unable to do so with their equipment. It is then up to the Public Works Department to clean out these areas and they have been unable to get to it in a timely manner due to their

snowplowing workload. Ms. Malecha noted the fire hydrants are currently cleaned out.

Jason Gorr noted the current City Snowplowing Policy states that if possible residents can clear out the fire hydrants adjacent to their property.

8. Police

The January 2019 Police Department Monthly Report was received by Council.

8.1. LUCAS CPR Device

Eric Klang explained the LUCAS CPR device administers the appropriate pace, compressions, and depth with lifesaving measures. Mr. Klang noted the cost to purchase the LUCAS CPR device from Stryker Emergency Care is \$16,221.77 which is a non-budgeted expenditure. The Police Department has received donations from various donors and a grant from Sourcewell for this device with commitments for further donations until it is paid in full. The Police Department has a contingency plan to pay for any potential remaining cost.

Council Member Swanson questioned what the contingency plan entails.

Mr. Klang stated the Police Department will use forfeiture funds to pay any remaining cost.

COUNCIL MEMBER SWANSON MOVED TO ACCEPT THE GRANT FROM SOURCEWELL IN THE AMOUNT OF \$2,500 FOR THE LUCAS CPR DEVICE. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 4-0.

COUNCIL MEMBER SEILS MOVE TO APPROVE THE PURCHASE OF THE LUCAS CPR DEVICE IN THE AMOUNT OF \$16,221.77 FROM STRYKER EMERGENCY CARE TO BE PAID FOR WITH THE GRANT, DONATIONS, AND FORFEITURE FUNDS AS PRESENTED. COUNCIL MEMBER SWANSON SECONDED THE MOTION. MOTION CARRIED 4-0.

9. Public Works Report

The February 2019 Public Works Report and January 2019 Water/Wastewater Report were received by Council.

Council Member Pederson questioned if the Public Works Department will host a community open house for the Public Works Facility.

Jason Gorr stated this would be a good idea and would like to coordinate it with an existing community event. He further noted the timing of this may be better in the late summer or fall when the seeding and landscaping have taken place.

A consensus of the Council agreed that a Public Works Facility Community Open House should be coordinated by the Public Works Department after seeding and landscaping have occurred.

9.1.A. Public Works Facility Update

Tim Houle updated the Council on the following regarding the Public Works Facility Project.

- Inside punch list items.
- \$6,500 credit for finishing the Project after the contract's substantial completion date.
- Outside punch list items and seeding.

9.1.B. Public Works Facility Project Payment Certificates

Tim Houle reviewed the Application and Certificate for Payment #8 from Boser Construction Inc. Mr. Houle explained this is for plumbing work performed minus the 5% retainage.

COUNCIL MEMBER SWANSON MOVED TO APPROVE APPLICATION AND PAYMENT CERTIFICATE #8 FROM BOSER CONSTRUCTION INC. FOR \$4,750. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 4-0.

Mr. Houle reviewed the Application and Certificate for Payment #9 from Boser Construction Inc. Mr. Houle explained this is for a partial retainage release.

COUNCIL MEMBER PEDERSON MOVED TO APPROVE THE APPLICATION AND PAYMENT CERTIFICATE #9 FROM BOSER CONSTRUCTION INC. FOR \$27,429.36. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 4-0.

9.2. Traffic Study

Jason Gorr explained at the February 5th City Council Meeting, the Council directed Widseth Smith Nolting to bring forth a proposal on a traffic study. The primary goal of the study is to provide some quantitative data in regard to vehicle, pedestrian, and bicycle traffic on primary roads. This data, extrapolation, and resulting report is to be used as a scientific tool for the Council to help make best informed decisions in regard to current and future needs.

Tim Houle reviewed the traffic study engineering services proposal regarding goals, overarching questions of current volumes and intersections, video data collection in May of 2019, factors applied for summertime traffic, and quantitative data to consider when investing in infrastructure improvements.

Mayor Tayloe questioned how long the study will take from start to finish.

Mr. Houle noted it will be completed by the end of August 2019 and it is a lengthy process.

Council Member Swanson stated she does not see the wisdom in conducting this study.

Mr. Houle explained the study will provide objective results versus subjective results.

Jason Gorr noted the study would clarify some discrepancies he has heard and past decisions based on widely varying opinions. This is tool for the Council to use.

Council Member Seils stated this study will show if the stoplight is needed.

Nancy Malecha requested clarification from the Council on the intersections they want analyzed as a part of this study.

Council Member Pederson noted he is favor of the study and the intersections that include the stoplight and Rasmussen Road; however, the other intersections fall off quite quickly. He questioned if some intersections can wait and be done later unless the City is specifically trying to solve a problem.

Tim Houle stated it costs approximately \$1,000 an intersection to collect the data.

Mark Jurchen, 31378 Lakeside Avenue, Pequot Lakes, addressed the Council. Mr. Jurchen stated that now is a good time to do the study as it will be a good economic development selling tool if people are looking to invest in our community.

COUNCIL MEMBER SEILS MOVED TO APPROVE THE TRAFFIC STUDY PROPOSAL SUBMITTED BY WIDSETH SMITH NOLTING IN THE AMOUNT OF \$27,475 TO BE PAID FROM THE HIGHWAY 371 FUND. COUNCIL MEMBER PEDERSON SECONDED THE MOTION. MOTION FAILED 2-2. COUNCIL MEMBERS PEDERSON AND SWANSON OPPOSED.

Dan Ronning, 31237 Spruce Street, Pequot Lakes, addressed the Council. Mr. Ronning noted he thought the traffic study idea came about because of the Trailside Park Project and to do it now seems ridiculous.

Council Member Swanson agreed that this did start with the opposition to the Trailside Park Project and a traffic study report was compiled at that time and dismissed.

COUNCIL MEMBER PEDERSON MOVED TO APPROVE A REVISED TRAFFIC STUDY PROPOSAL FROM WIDSETH SMITH NOLTING TO INCLUDE INTERSECTIONS 4, 5, 6, 9, AND 10 AT A COST NOT TO EXCEED \$20,000. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 3-1. COUNCIL MEMBER SWANSON OPPOSED.

9.3. Rasmussen Road Project

Jason Gorr explained at the February 5th City Council Meeting, the Council agreed to proceed with a proposal from Widseth Smith Nolting for improvements to Rasmussen Road consisting of two blocks north and south of Main Street. In the proposal storm water needs, existing utility updates, curb/gutter, and scope of work are covered.

Tim Houle explained the original estimated cost for the Rasmussen Road Project was \$3.8 million and the revised scope cost is now estimated at \$1.2 million as the two blocks north and south of Main Street are infrastructure intensive and consist of right-of-way issues.

Nancy Malecha requested a comfort level from the Council on proceeding with this Project as this is quite an expense to absorb if the Council wishes to forego the Project in the future. Ms. Malecha explained the traffic study, road improvement plan, and financial analysis should be analyzed before

proceeding with this proposal as this Project would likely not occur until 2020.

Mr. Houle clarified that bidding for this Project would probably occur in January of 2020 and WSN will need a window of three to four months to complete the design before it goes out to bid. Mr. Houle further clarified that the Rasmussen Road design engineering services proposal would need the go ahead from the Council by no later than July of 2019.

A consensus of the Council directed Staff to bring back the Rasmussen Road Design Engineering Services Proposal submitted by WSN in May along with financial analysis and a draft road improvement plan.

9.4. Wastewater Treatment Facility Operation Award

Jason Gorr informed the Council that the Minnesota Pollution Control Agency (MPCA) awarded the City the Wastewater Treatment Facility Operation Award for the review year October 1, 2017 to September 30, 2018. Mr. Gorr acknowledged Andy Schwartz and Jake Freeman, from the Pine River Area Sanitary District, for the great work they do for the City.

The Council acknowledged the Public Works Department's efforts in receiving the MPCA Wastewater Treatment Facility Operation Award.

10. Administration

The following items were received by Council.

- February 13, 2019 draft Park Commission minutes
- February 19, 2019 draft EDC minutes
- February 19, 2019 HRA minutes

10.1.A. Park Commissioner Resignation

Nancy Malecha explained that Karen Bryan has resigned from the Park Commission after eight years of service.

The Council acknowledged Karen Bryan's resignation from the Park Commission.

10.1.B. Park Commission Appointments

Nancy Malecha informed the Council there are currently two vacancies on the Park Commission. Kim Churack and Patrick Churack have submitted

applications to serve on the Commission. Ms. Malecha noted the City Code does not state anything that a husband and wife cannot serve simultaneously on the Park Commission.

COUNCIL MEMBER SWANSON MOVED TO APPOINT KIM CHURACK AND PATRICK CHURACK TO THE PARK COMMISSION WITH TERM EXPIRATIONS OF DECEMBER 31, 2021 AND DECEMBER 31, 2019 RESPECTIVELY. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 4-0.

10.1.C. Trailside Park Timeline

Nancy Malecha explained the Park Commission is looking for a scope of work timeline from the City Council on the state flag display and splash pad improvements to Trailside Park that were approved at the November 14, 2018 Special City Council Meeting.

Dan Ronning noted the Park Commission is looking for something on when the Park Project will move forward as things are currently on hold and he doesn't want the City to lose the donated funds. He would like to see the Project moving forward and questioned if something could be started this summer.

Council Member Pederson stated the Park Commission should identify where the splash pad should be located, where walking paths are needed, where flags should be located along the walking paths, and to work out the details and research.

Nancy Malecha questioned who will be responsible for re-designing the Trailside Park plan.

Council Member Swanson stated that concept map option B should be utilized as a guide to the re-design.

Council Member Pederson suggested the Park Commission contact splash pad design and installation companies and flag display design and installation companies to assist with the re-design.

A consensus of the Council directed the Park Commission to re-design the Trailside Park area to include a splash pad and state flag display by utilizing Trailside Park concept map option B as a guide.

10.1.D. Request to Carryover Funds

Nancy Malecha noted in 2018, the Park Department budgeted to repair the steps at Sibley Lake Park at an approximate cost of \$1,800. This work was not completed and the Park Commission unanimously requests to carryover these budgeted funds from 2018 to 2019 to repair the steps at Sibley Lake Park.

COUNCIL MEMBER SWANSON MOVED TO AUTHORIZE THE CARRYOVER OF FUNDS IN THE AMOUNT OF \$1,800 TO 2019 TO BE UTILIZED FOR THE REPAIR OF THE STEPS AT SIBLEY LAKE PARK. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 4-0.

10.2. Gas Franchise Ordinances

Nancy Malecha explained at the February 5th City Council Meeting, the Council directed her to seek information from Xcel Energy as to a listing of neighboring cities who have implemented gas franchise fees with Xcel Energy. She contacted Xcel Energy for a listing of cities in Crow Wing and Cass counties who have gas service franchise fees and Baxter is the only city currently with a fee. Ms. Malecha noted Baxter's franchise fee ordinance was included in the agenda packet.

Ms. Malecha further explained the draft City ordinances presented reflect a monthly flat franchise fee of \$2 to customers within the City's jurisdiction which would generate approximately \$22,344 in revenue per year. The draft ordinances have been reviewed by Xcel Energy, the City Attorney, and Ms. Malecha. Ms. Malecha noted that if the City implements a franchise fee on Xcel Energy, the draft gas franchise ordinance states the City agrees to impose an equivalent franchise fee upon all other energy providers operating in the City and we have until April 30, 2021 to do so. Ms. Malecha requested a consensus from the Council to proceed with the draft ordinances as presented or provide direction on changes.

A consensus of the Council agreed to proceed with the gas franchise ordinances with a \$1 per month per customer franchise fee and further designated the first year of franchise fee revenue to the Parks Department.

10.3. City Facility Tours Schedule

Nancy Malecha informed the Council of the City facility tours schedule as noted below and requested the Council consider setting the date for the Spring Road Review Tour.

- Police & Fire Department Tours – March 5th at 5:30 p.m.
- Water Plant Tour – April 2nd at 5:30 p.m.
- Spring Road Review Tour – May 1st, 8th, or 15th at 5:00 p.m.

COUNCIL MEMBER SEILS MOVED TO SET THE SPRING ROAD REVIEW TOUR FOR MAY 8, 2019 AT 5:00 P.M. TO BEGIN AT CITY HALL. COUNCIL MEMBER SWANSON SECONDED THE MOTION. MOTION CARRIED 4-0.

11. Other Business

11.1. Greater Pequot Lakes Community Foundation

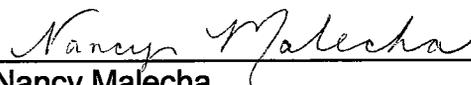
Nancy Malecha informed the Council on the vision and mission of the Greater Pequot Lakes Community Foundation, in partnership with the Initiative Foundation, which was established in 2018 as an outcome of the Thriving Communities Initiative process. Ms. Malecha noted the Foundation serves the cities of Pequot Lakes, Breezy Point, and Jenkins and the townships of Ideal, Jenkins, Loon Lake, and Maple. The Foundation is currently working on its communication outreach and is seeking members to serve on its Advisory Board and donations.

12. Adjournment

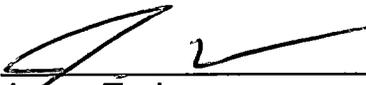
There being no further business, **COUNCIL MEMBER PEDERSON MOVED TO ADJOURN. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 4-0.**

The meeting of the City Council adjourned at 8:31 p.m.

Respectfully submitted,



Nancy Malecha
City Administrator



James Tayloe
Mayor