



AGENDA ITEM #3.1

REPORT TO CITY COUNCIL

Report Prepared by: Angie Duus

Date: October 1, 2019

Subject: City Council Minutes

Report: The minutes for the September 3, 2019 City Council Meeting are attached for your review.

Council Action Requested: Council motion approving the minutes for the September 3, 2019 City Council Meeting.

**MEETING OF THE PEQUOT LAKES CITY COUNCIL
TUESDAY, SEPTEMBER 3, 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; Angie Duus, City Clerk/Treasurer; 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 SEILS MOVED TO APPROVE THE AGENDA AS PRESENTED. COUNCIL MEMBER SWANSON SECONDED THE MOTION. MOTION CARRIED 4-0.

3. Consent Agenda

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

- 3.1. **AUGUST 6, 2019 REGULAR CITY COUNCIL MEETING MINUTES, AUGUST 6, 2019 SPECIAL CITY COUNCIL MEETING MINUTES, AND AUGUST 20, 2019 SPECIAL CITY COUNCIL MEETING MINUTES.**
- 3.2. **CHECK REGISTER FROM AUGUST 7, 2019 TO SEPTEMBER 3, 2019.**
- 3.3. **FINANCIAL REPORT ENDING JULY 30, 2019.**
- 3.4. **LIBRARY REPORTS FOR JULY 2019 AND LIBRARY BOARD MINUTES FOR AUGUST 22, 2019.**
- 3.5. **RESOLUTION 19-22 ACCEPTING CONTRIBUTIONS FROM JULY 27, 2019 THROUGH AUGUST 23, 2019.**
- 3.6. **UTILITY CREDIT REQUEST FOR SCANDIA NORTH CONDOMINIUMS.**
- 3.7. **TEMPORARY EXPANSION OF PREMISES LICENSE FOR BEN KRUEGER POST 49/AMERICAN LEGION.**
- 3.8. **SPECIAL EVENT PERMITS FOR WALK AND ROLL RUN AND EAST SIDE MERCHANTS CUSTOMER APPRECIATION CONCERT.**

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

4. Open Forum

No one appeared under open forum.

5. Presentations

5.1. Cooperative Community Enhancement Project

Jeff Schiltz and Nathan Norton from ICS Consulting presented the Project Planning and Implementation Agreement to the Council for a potential athletic complex in the Heart of the Good Life Development. Mr. Schiltz explained the project background, ideas, process timeline, and who ICS Consulting is. Mr. Schiltz stated they were contacted by many of the City's community members and there have been many ideas talked about for an athletic complex. He explained the positive impact this project can have in the community with a few being; opportunities hosting large tournaments, bringing in funds for the community, and community wellness. Mr. Schiltz explained how funding can happen, their partnership with Sourcewell, and their involvement with meetings relating to the project. He stated funding can come from the School District, state bonding, donations, and sales tax revenue.

Mr. Schiltz noted the project needs a process and they need to listen to what the community envisions. He said the listening sessions would start in September and with that input they would then put a community steering committee together. He explained in October they would determine funding and communications outreach, in November get feedback and create options, and in December have the final plan approved. Mr. Schiltz stated that Nathan Norton will donate his time which is valued at \$7,000 and Sourcewell will give \$3,000.

Discussion ensued as to how much land the project will take and that about half of the Heart of the Good Life Development will be left for future businesses, the School's involvement, and the promotional video.

Council Member Pederson asked if they continue with the plan will they work hand in hand with Widseth Smith Nolting. Mr. Schiltz stated yes and they will build off what has already been done.

Council Member Pederson discussed community outreach to ensure the community understands that the project is underway and what is involved. Mr. Schiltz explained that community outreach can be helped with website development, two way communications, and listening sessions will be going to keep people informed. He explained there would be a microsite to the City website, surveys, and newsletters.

Discussion ensued about not using taxpayer money and that the tax issue is huge for some residents. Nancy Malecha recommended using \$16,500 from the Business Park Fund and \$3,500 from the General Fund – Economic Development budget to pay for ICS Consulting's services.

COUNCIL MEMBER SWANSON MOVED TO APPROVE THE PROJECT PLANNING AND IMPLEMENTATION AGREEMENT WITH ICS CONSULTING INC. IN THE AMOUNT OF \$20,000 TO BE PAID FROM THE GENERAL FUND - EDC BUDGET (\$3,500) AND THE BUSINESS PARK FUND (\$16,500). COUNCIL MEMBER SEILS SECONDED THE MOTION.

Council Member Pederson stated he would like to see the money come out of Business Park Fund only.

COUNCIL MEMBER SWANSON MOVED TO AMEND THE PREVIOUS MOTION TO APPROVE THE PROJECT PLANNING AND IMPLEMENTATION AGREEMENT WITH ICS CONSULTING TO BE PAID FROM THE BUSINESS PARK FUND. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION AMENDMENT CARRIED 4-0.

5.2. 2020 Preliminary Levy

Nancy Malecha reviewed changes to the 2020 Preliminary Budget which included the removal of SCORE funding, a decrease in electricity for Street Lighting and Signals and Signs, and changes to health insurance. She explained this is the preliminary levy and once it is approved it cannot be increased but can be decreased.

COUNCIL MEMBER PEDERSON MOVED TO ADOPT RESOLUTION 19-23 SETTING THE CITY OF PEQUOT LAKES PRELIMINARY 2020 TAX LEVIES AS FOLLOWS:

- GENERAL REVENUE PROPERTY TAX LEVY - \$1,794,770
- TAX ABATEMENT LEVY - \$18,693
- HRA SPECIAL LEVY - \$38,250

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

5.3. Final Levy Meeting Date

COUNCIL MEMBER SEILS MOVED TO DISCUSS THE 2020 BUDGET AND PROPOSED FINAL LEVY AT THE DECEMBER 3, 2019 COUNCIL MEETING AT 6:30 P.M. AND ALLOW PUBLIC INPUT ON THIS ITEM. COUNCIL MEMBER PEDERSON SECONDED THE MOTION. MOTION CARRIED 4-0.

6. Planning and Zoning

6.1. Planning Commission Report

The August 28, 2019 Planning Commission Report and August 15, 2019 draft Planning Commission minutes were received by Council.

7. Fire

The July 2019 Fire Department Operations Report and the July 31, 2019 Fire Board Meeting minutes were received by Council.

8. Police

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

8.1. Part-Time Police Officer Resignation

The Council acknowledged the resignation of Elisha Dwyer as a part-time police officer.

9. Public Works Report

The August 2019 Public Works Report was received by Council.

9.1. Snow Plowing Policy

Jason Gorr stated the main changes to the City's Snow Plowing Policy is the updates which reflect the equipment used, staff size, and priority of streets with emergency and high volume streets being the highest priority. Mr. Gorr emphasized the excerpt of the Policy which states snow removal around fire hydrants located on, or adjacent to, private property is the responsibility of the property owner and a diameter of a 6 foot minimum must be cleared to allow for emergency access with care given not to damage the hydrant or nearby gate valve.

Discussion ensued about residents that may not be physically able to do the snow removal themselves and other cities requiring residents to clear hydrant areas and sidewalks. Mr. Gorr stated that if there is an issue to contact the Publics Works Department.

COUNCIL MEMBER SEILS MOVED TO APPROVE THE REVISED SNOW PLOWING POLICY. COUNCIL MEMBER SWANSON SECONDED THE MOTION. MOTION CARRIED 4-0.

9.2. Traffic Study Report

Tim Houle stated he is looking for approval of the Traffic Study which would be an acknowledgment that the work was done with feedback from the Committee and the general concepts in the Report are in alignment with the present outlook of the Council. Mr. Houle reviewed several pages from the Report regarding recommendations for the various intersections with the understanding that any approval from the Council will not be setting final designs for each intersection.

Discussion ensued regarding the need for the Patriot Avenue traffic signals and changes that could be made including roundabouts and temporary options. Mr. Houle said should specific improvements at the various intersections move forward in the future, the Council would have an opportunity at that time to approve those specific designs.

COUNCIL MEMBER SEILS MOVED TO ACCEPT THE TRAFFIC STUDY REPORT FROM SPACK CONSULTING AND WIDSETH SMITH NOLTING AS PRESENTED. MAYOR TAYLOE SECONDED THE MOTION. MOTION CARRIED 4-0.

9.3. 2020 Road Improvement Projects Update

Tim Houle updated the Council on the 2020 Road Improvements Projects which include South Washington Avenue and Rasmussen Road. He noted they are in the process of surveying and they will probably talk internally with City Staff regarding storm drainage. He said it looks like they may need to have discussions with a few property owners on Rasmussen Road to find some storm drainage infiltration basin locations.

9.4. North Sluetter Road Improvement Discussion

Nancy Malecha stated that at the August 6th City Council Meeting, the Council moved to provide numbers for North Sluetter Road pavement costs to Jason Murray with David Drown Associates to analyze as part of the City's capital improvement plan. Jason Gorr contacted Anderson Brothers and they provided a rural road construction cost of \$288,419 and a rustic road construction cost of \$162,384. A few things not included in the costs were the pricing of culverts, clearing and grubbing, ditch work, topsoil, potential utility relocations, mailboxes, and potential striping. Anderson Brothers strongly encourages the City to get in contact with an engineer to have this project designed as some of the above mentioned items cannot be completed without proper GPS work and design that they do not have the capabilities to perform. The rural road classification may also need to be designed before they can put actual numbers in place and the rustic road is borderline needing that as well.

Ms. Malecha stated that Jason Murray estimated the above amounts will impact the City's capital improvement plan by approximately \$36,300 and \$20,500 per year respectively to cover debt payments and would increase the City's preliminary levy by 2% and 1% respectively.

Discussion ensued regarding the definition of rustic and rural roads and the amount of travel on North Sluetter Road.

COUNCIL MEMBER PEDERSON MOVED TO APPROVE PAVEMENT OF NORTH SLUETTER ROAD WITH THE RUSTIC ROAD DEFINITION. COUNCIL MEMBER SWANSON SECONDED THE MOTION. MOTION CARRIED 3-1. COUNCIL MEMBER SEILS OPPOSED.

COUNCIL MEMBER PEDERSON MOVED TO APPROVE RESOLUTION 19-24 DETERMINING THE LEGALITY OF A PETITION FOR LOCAL IMPROVEMENTS WITH ITEM #2 IN THE RESOLUTION REMOVED. COUNCIL MEMBER SWANSON SECONDED THE MOTION. MOTION CARRIED 4-0.

9.5. Assessment Procedures & Policy Discussion

Nancy Malecha stated that at the August 6th Special City Council Meeting, a consensus of the Council agreed to look into the City's special assessment policy and put it on a future Council agenda for discussion. The City's current Assessment Procedures & Policy that was adopted in 2006 with assistance from Widseth Smith Nolting (WSN). Ms. Malecha said in an effort to update the City's Policy, she would like to create a Committee consisting of herself, Tim Houle, Jason Gorr, Dawn Bittner, and a Council Member to draft a revised policy for Council consideration.

COUNCIL MEMBER PEDERSON MOVED TO APPOINT AN ASSESSMENT POLICY COMMITTEE CONSISTING OF NANCY MALECHA, TIM HOULE, JASON GORR, DAWN BITTNER, AND COUNCIL MEMBER SWANSON. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 4-0.

COUNCIL MEMBER SEILS MOVED TO ACCEPT THE QUOTE FROM WIDSETH SMITH NOLTING IN THE AMOUNT OF \$2,500 TO ASSIST WITH AN ASSESSMENT POLICY REVISION TO BE PAID FROM THE GENERAL FUND – ADMINISTRATION (50%) AND ROADS AND STREETS (50%) BUDGETS. COUNCIL MEMBER SWANSON SECONDED THE MOTION. MOTION CARRIED 4-0.

Ms. Malecha asked if the Council is looking to assess for the 2020 road projects as this will determine the timeline of how often the Assessment Policy Committee will need to meet. A consensus of the Council agreed they would like draft assessment policy at the November City Council meeting.

9.6. Park Commissioner Resignations

Nancy Malecha informed the Council that Patrick Churack and Brian Maher have resigned from the Park Commission. The Council acknowledged the resignations of Patrick Churack and Brian Maher.

10. Administration

The following items were received by Council.

- August 8, 2019 draft Park Commission notes
- August 20, 2019 draft EDC minutes

10.1. Pequot Lakes Library Building Improvement Project

Nancy Malecha stated the Pequot Lakes Library Board would like to embark on improving the interior of the Library Building as part of their Strategic Plan. The proposed improvement project will consist of new carpet, installation, floor patching, and the painting of interior walls. The Library Board, at their meeting held on August 22nd, unanimously recommends the City accept the quotes from JAG Interior Solutions for new carpet, installation, and floor patching in the amount of \$17,290.62 and A&B Painting for the painting of interior walls in the amount of \$6,120 to be paid from the Library's fund balance.

COUNCIL MEMBER SWANSON MOVED TO ACCEPT THE QUOTES FROM JAG INTERIOR SOLUTIONS IN THE AMOUNT OF \$17,290.62 AND A&B PAINTING IN THE AMOUNT OF \$6,120 FOR THE LIBRARY BUILDING IMPROVEMENT PROJECT TO BE PAID FROM THE LIBRARY'S FUND BALANCE. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 4-0.

10.2. City Administrator's Annual Performance Review

Nancy Malecha stated her four year anniversary as City Administrator is September 28th. She suggested the Council hold her annual performance review at the end of the October 1st City Council Meeting. Ms. Malecha requested that this meeting is closed per M.S. 13D.05, Subd. 3(a).

A consensus of the Council agreed to hold a closed meeting at the October 1st City Council Meeting to conduct Ms. Malecha's performance review.

Mayor Tayloe noted that an evaluation form will be provided to each Council Member to complete and return to him by September 20th.

11. Other Business

There was no other business.

12. Adjournment

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

The meeting of the City Council adjourned at 8:41 p.m.

Respectfully submitted,

Angie Duus
City Clerk/Treasurer

James Tayloe
Mayor