



AGENDA ITEM #3.1

REPORT TO CITY COUNCIL

Report Prepared by: Angie Duus

Date: January 7, 2020

Subject: City Council Minutes

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

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

**MEETING OF THE PEQUOT LAKES CITY COUNCIL
TUESDAY, DECEMBER 3, 2019
PEQUOT LAKES CITY HALL**

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

Staff Present: Nancy Malecha, City Administrator; Angie Duus, City Clerk/Treasurer; Eric Klang, Police Chief; Jason Gorr, Public Works Director; Tom Nelson, Fire Chief; Tim Houle, City Engineer; Kate Petersen, Police Officer; Ryan Franz, Police Officer; and Jen Anderson, PD Office Manager

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. **NOVEMBER 5, 2019 REGULAR CITY COUNCIL MEETING MINUTES.**
- 3.2. **CHECK REGISTER FROM NOVEMBER 6, 2019 TO DECEMBER 3, 2019.**
- 3.3. **FINANCIAL REPORT ENDING NOVEMBER 30, 2019.**
- 3.4. **LIBRARY REPORT FOR OCTOBER 2019.**
- 3.5. **RESOLUTION 19-33 ACCEPTING CONTRIBUTIONS FROM OCTOBER 30, 2019 THROUGH NOVEMBER 22, 2019.**
- 3.6. **RESOLUTION 19-34 ESTABLISHING POLLING PLACE.**
- 3.7. **2020 BLAEDC AGREEMENT.**

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

4. Open Forum

Gregg Gerhardt, 27022 West Twin Lake Drive, Pequot Lakes, addressed the Council about the future building of Our Lady of Lakes Parish Church on County Road 29. He stated that he works as a trooper for the State Patrol and has responded to various crashes at the Highway 371/County Road 29 intersection.

He noted the traffic that will come from the proposed church is going to cause major problems at that intersection. Mr. Gerhardtz stated he has discussed this with Chief Klang. He noted the Pequot Lakes Police Officers will be responding to crashes there as well as the State Patrol.

Discussion ensued about the poor design of this intersection, discussions that have been had with MnDOT about these safety concerns, the increasing traffic at this intersection on Sundays, and how much traffic the intersection can handle.

Mr. Gerhardtz stated he preferred that the church not be built on County Road 29 due to the traffic issues it will cause.

5. Presentations

5.1. Community Enhancement Project Update

Ryan Buell, Chair of the Community Enhancement Project Steering Committee, and Nathan Norton, ICS Consulting, presented an update to the Council on the Heart of the Good Life Development. Mr. Buell summarized the Steering Committee meeting results to the Council. He stated that at the first meeting they went over the listening session results. At the second meeting, they conducted an exercise to prioritize the Steering Committee's thoughts on what should be included in the project, estimated costs, tax impacts and set some preliminary estimates. He noted that at the third meeting they discussed more complete and in-depth costs related to building some of the projects and also potential funding sources.

Mr. Buell stated the Committee's goal is to define a final project and in the final report to include capital outlay and estimated operating costs for the project. He said the report will also define how much money is needed and sources for raising the funds. He informed the Council that the big questions the Committee is facing is what should be included, what are the costs, who are the partners, what is the potential return on the investment and where in the Heart of the Good Life should the project be located. Mr. Buell stated the big take away from the listening sessions is the community agrees that it needs to be done right the first time and because of this the ICS team feels more meetings than originally planned are required but there will be no additional costs to the City.

Council Member Swanson questioned if the Steering Committee is talking about a community center. Mr. Buell stated there are also other possibilities, including ball fields.

Council Member Pederson asked about a timeline on final decisions. Mr. Buell stated that they are trying to get everything done by the end of year so they can bring a presentation to the Council in the beginning of January. He stated that one of the tax implications needs to be considered by the end of January so if they want to get started next summer they need to get the ball rolling.

Council discussion ensued about funding opportunities.

5.2. Budget/Levy Public Hearing

A. Budget and Levy Presentation

Nancy Malecha gave a presentation on the following information and explained how property taxes are calculated.

- The general revenue tax levy of \$1,789,860.
- The tax abatement levy of \$18,693.
- The total levy amount of \$1,808,553.
- The HRA levy of \$38,250.

B. Public Hearing on Budgets and

Mayor Tayloe opened the public hearing.

There being no comments on the budgets and levies, Mayor Tayloe closed the public hearing.

C. Adoption of 2020 City Budgets

D. Consider Tax Levy Resolutions

The City must certify final property tax levies to the County Auditor by December 30th.

COUNCIL MEMBER SWANSON MOVED TO APPROVE THE BUDGET AS FOLLOWS:

- **2020 HRA BUDGET OF \$38,250.**
- **2020 TAX LEVY BUDGETS OF \$5,641,113 IN REVENUE AND \$6,570,063 IN EXPENDITURES.**
- **2020 SPECIAL REVENUE & ENTERPRISE BUDGETS OF \$913,540 IN REVENUE AND \$727,380 IN EXPENDITURES.**

COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 3-1. COUNCIL MEMBER PEDERSON OPPOSED.

COUNCIL MEMBER SEILS MOVED TO ADOPT RESOLUTION 19-35 SETTING THE 2020 HRA LEVY AT \$38,250. COUNCIL MEMBER SWANSON SECONDED THE MOTION. MOTION CARRIED 4-0.

COUNCIL MEMBER SWANSON MOVED TO ADOPT RESOLUTION 19-36 SETTING THE 2020 GENERAL REVENUE TAX LEVY AT \$1,789,860 AND THE TAX ABATEMENT LEVY AT \$18,693. COUNCIL MEMBER SEILS

SECONDED THE MOTION. MOTION CARRIED 3-1. COUNCIL MEMBER PEDERSON OPPOSED

5.3. City Council Appointment

Nancy Malecha noted that at the November 5th City Council Meeting, the Council adopted a resolution declaring a City Council vacancy exists and the filling of this vacancy will occur by appointment upon receiving letters of interest. She stated that seven letters of interest were received from the following individuals for this vacancy.

- Jeffrey Boucher – not in attendance
- Pete Clement – in attendance
- Tyler Gardner – in attendance
- Pamela Johnson – in attendance
- Dan Ronning – in attendance
- Bonita Schweinler – in attendance
- Wes Wilson – in attendance

Ms. Malecha noted the Council will appoint one of these individuals to fill the vacant City Council position until Jerry Akerson is again able to resume duties and attend Council meetings. She stated that in the event of a tie vote, the Mayor has the authority to cast the vote to break the tie and the person appointed will be sworn into office at the beginning of the January 7th City Council Meeting.

MAYOR TAYLOE MOVED TO ADOPT THE RESOLUTION 19-37 APPOINTING PETE CLEMENT TO FILL THE VACANT CITY COUNCIL POSITION. COUNCIL MEMBER SEILS SECONDED THE MOTION.

Council Member Swanson stated that she would like to appoint Jeffrey Boucher to fill the vacant City Council position.

Council Member Pederson thanked everyone that applied and the Council concurred. Mr. Pederson stated he would look first at those who have volunteered their time to the City. He mentioned Wes Wilson from the Planning Commission, Dan Ronning from the Park Commission, and Tyler Gardner a former Council Member. He stated they are strong candidates and have a working knowledge of the City.

MOTION CARRIED 3-2. COUNCIL MEMBER SWANSON AND PEDERSON OPPOSED. MAYOR TAYLOE CAST THE TIE-BREAKING VOTE IN FAVOR OF THE MOTION.

5.4. 2020 Fee Schedule Resolution

Nancy Malecha presented the proposed fee schedule for 2020 and explained the changes that were made.

COUNCIL MEMBER SWANSON MOVED TO ADOPT RESOLUTION 19-38 AMENDING THE 2020 FEE SCHEDULE AS ADOPTED BY CITY ORDINANCE. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 4-0.

6. Planning and Zoning

6.1. Planning Commission Report

The November 25, 2019 Planning Commission Report and November 21, 2019 draft Planning Commission minutes were received by Council.

6.2. 2019 City Work Plan

Nancy Malecha stated the Planning Commission provided an update on where they are at with their projects on the 2019 Work Plan.

6.3. License Agreement over Outlot A, Field of Dreams

Nancy Malecha informed the Council that the City received a request from the property owner of Lot 4, Block 1, Field of Dreams requesting driveway access across a corner of Outlot A. She stated the Public Works Director met with the property owner onsite and agreed the driveway could cross the corner of Outlot A. The property owner now needs a license agreement to indicate the area the property owner can access.

MAYOR TAYLOE MOVED TO AUTHORIZE THE MAYOR AND CITY ADMINISTRATOR TO EXECUTE THE LICENSE AGREEMENT OVER OUTLOT A, FIELD OF DREAMS ON BEHALF OF THE CITY. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 4-0.

6.4 Request to Waive Public Hearing Fee

Nancy Malecha noted that in January 2019 the Planning Commission approved a conditional use permit for Nathan Walberg and a condition of approval required Mr. Walberg to install a floor drain/sediment trap. She stated the Planning Commission has since learned that the State Plumbing Code, the Minnesota Pollution Control Agency and the Minnesota Department of Health do not require a floor drain/sediment trap to be installed where there is no existing floor drain and unanimously recommend removal of that condition. To remove the condition, a public hearing is required; the fee is \$450, plus a \$46 recording fee.

COUNCIL MEMBER SWANSON MOVED TO WAIVE THE \$450.00 PUBLIC HEARING FEE AND THE \$46.00 RECORDING FEE TO REMOVE CONDITION TO INSTALL A FLOOR DRAIN/SEDIMENT TRAP FROM NATHAN

WALBERG'S CONDITIONAL USE PERMIT. MAYOR TAYLOE SECONDED THE MOTION. MOTION CARRIED 3-0. COUNCIL MEMBER SEILS ABSTAINED.

7. Fire

The October 2019 Fire Department Operations Report was received by Council.

7.1 Volunteer Fire Assistance Matching Grant

Tom Nelson presented the Volunteer Fire Assistance Matching Grant with the Minnesota Department of Natural Resources in the amount of \$1,725. He stated they apply for the Grant annually and they usually only get it every other year. He also stated the grant is used for equipment and the DNR match is 50%.

COUNCIL MEMBER SEILS MOVED TO ENTER INTO A GRANT CONTRACT WITH THE STATE OF MINNESOTA DEPARTMENT OF NATURAL RESOURCES FOR A VOLUNTEER FIRE ASSISTANCE MATCHING GRANT IN THE AMOUNT OF \$1,725 FOR THE PURCHASE OF BOOTS AND WILDLAND CLOTHING FOR THE PEQUOT LAKES FIRE DEPARTMENT. COUNCIL MEMBER SWANSON SECONDED THE MOTION.

Council Member Swanson questioned what wildland clothing is. Mr. Nelson explained that it is for nonstructural, grassland and wildland fires. He stated when they use regular fire gear for these types of fires the firemen get overheated.

MOTION CARRIED 4-0.

7.2 Keep the Wreath Red Project

Tom Nelson informed the Council that the Pequot Lakes Fire Department will be participating in the "Keep the Wreath Red" Project. He stated this is a way to get public awareness for calls they go on during the holiday season and they have already installed a wreath in front of the fire bell. He said it also ties into their public safety message that they put out in October to be mindful of fires and calls during the winter heating months. He stated that they will keep it up through January.

7.3 Firefighter Resignation

Nancy Malecha noted that Evan Hayes has submitted his resignation as firefighter with the Fire Department as he has moved out of the area. She stated that he has been with the City for 2 years and the City is grateful for his years of service.

The Council acknowledged Evan Hayes' resignation as firefighter with the Pequot Lakes Fire Department.

8. Police

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

8.1. Severson Porter Law Prosecution Agreement

Eric Klang presented the 2020-2022 Prosecution Agreement for the prosecution services of Severson Porter Law.

MAYOR TAYLOE MOVED TO APPROVE THE 2020-2022 PROSECUTION AGREEMENT WITH SEVERSON PORTER LAW IN THE AMOUNT OF \$922.50 PER MONTH. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 4-0.

8.2. State of MN Joint Powers Agreement – Anti-Heroin Task Force Program

Eric Klang presented a Resolution and Joint Powers Agreement with the State of Minnesota, Department of Public Safety, Bureau of Criminal Apprehension (BCA) to utilize applicable state and federal laws to investigate illicit activities related to the distribution of heroin or unlawful distribution of prescription opioids. He stated that this will also allow for reimbursement for overtime incurred during these types of investigations through a BCA grant.

COUNCIL MEMBER SEILS MOVED TO ADOPT RESOLUTION 19-39 APPROVING THE STATE OF MINNESOTA JOINT POWERS AGREEMENT REGARDING THE ANIT-HEROIN TASK FORCE PROGRAM. COUNCIL MEMBER SWANSON SECONDED THE MOTION. MOTION CARRIED 4-0.

8.3. Appoint Interim Sergeant

Eric Klang noted that Chad Turcotte is out on a leave of absence and he is requesting approval to appoint Kate Petersen as interim Sergeant.

COUNCIL MEMBER SEILS MOVED TO APPOINT KATE PETERSEN AS INTERIM SERGEANT AT GRADE 17, STEP 1, \$25.15 PER HOUR EFFECTIVE DECEMBER 4, 2019. COUNCIL MEMBER PEDERSON SECONDED THE MOTION.

Council Member Swanson questioned who would be replacing Ms. Petersen's position. Chief Klang explained they are in stand-by position right now and they are juggling their schedules to accommodate the schedule the best they can.

MOTION CARRIED 4-0.

8.4 Life Saver Awards

Chief Klang stated he is very proud of the people that serve on the Pequot Lakes Police Department and if anyone is ever in a health crisis you want one of these officers because they are greatly skilled at providing life-saving services. He recognized Officer Kate Petersen, Officer Ryan Franz and Assistant Fire Chief Mike Schwankl with Life Saving pins and awards for life-saving measures they performed on Tammy Skaro on April 1, 2019.

Ms. Petersen addressed the Council and noted her three goals when she became a police officer were to be a respectful officer, make a difference in a child's life as they grew up, and save a life. She stated that she has achieved all of her goals. She stated that she is honored to receive the award.

9. Public Works Report

The November 2019 Public Works Report was received by Council.

9.1. Resolution of Cooperation for Roadway Improvements

Jason Gorr stated that he, Nancy Malecha, and Tim Houle met with representatives from the City of Breezy Point, Ideal Township, and Jenkins Township to discuss roadway improvement needs for interconnected roads consisting of Akerson Road, Buschmann Road, Nelson Road, and Wild Acres Road. He stated that improvement needs and plans were discussed and all parties involved agreed that a Resolution of Cooperation for Roadway Improvements would help to continue this conversation with Crow Wing County. He said the goal is to better coordinate and potentially leverage the local entities' funding sourcing with possible County and State funding sources.

MAYOR TAYLOE MOVED TO ADOPT THE RESOLUTION 19-40 OF COOPERATION WITH THE CITIES OF PEQUOT LAKES AND BREEZY POINT AND THE TOWNSHIPS OF IDEAL AND JENKINS FOR IMPROVEMENTS TO AKERSON ROAD, BUSCHMANN ROAD, NELSON ROAD, AND WILD ACRES ROAD ALL WITHIN CROW WING COUNTY. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 4-0.

9.2. Rasmussen Road & South Washington Avenue Projects

A. Update

Tim Houle updated the Council on the Rasmussen Road and South Washington Avenue Projects. He reminded the Council that the City sent invites to property owners for three open houses that were held. Mr. Houle highlighted some of the comments from the open houses and noted that keeping accesses to businesses open is important.

Mr. Houle discussed the weather at the end of spring and that it may affect the bids the City receives for the project since some contractors had to shut down early causing them to have work to finish up early in 2020.

Mr. Houle stated they did talk to some attendees about the need to formalized right-of-ways. He said their engineering contracts do include preparing right-of-way maps, sketches and descriptions but any assistance that needs to go to individuals is outside of their scope of work. He stated they would work with City Staff to see how these discussions can occur.

Mr. Houle stated that several people asked about cost and special assessments for the project. He stated they did tell people that at the present time the Council has not discussed special assessments for this project. He did ask the Council if they want to look at special assessments and discussed the steps that would be involved.

Council discussion ensued about costs, highway funds, and taxes related to special assessing the project.

A consensus of the Council agreed to not specially assess for the Rasmussen Road & South Washington Avenue Projects.

B. Authorize Advertisement of Bids

Tim Houle stated that in anticipation of bidding during the winter and constructing during the 2020 season they are requesting the City Council authorize advertising for public bids, with public bids tentatively being accepted until 10:00 a.m. on Tuesday, January 28, 2020 and it is anticipated the City Council will consider the bids and possibly award the project at their February 4, 2020 City Council Meeting. He noted these dates would allow time to execute a construction contract, get bonds and insurance, hold a pre-construction meeting, review shop drawings, and order materials.

COUNCIL MEMBER SEILS MOVED TO AUTHORIZE THE ADVERTISEMENT OF BIDS FOR THE RASMUSSEN ROAD AND SOUTH WASHINGTON AVENUE IMPROVEMENT PROJECTS WITH BIDS BEING ACCEPTED UNTIL 10:00 AM ON TUESDAY, JANUARY 28, 2020 AND THE CITY COUNCIL CONSIDERING BIDS AND AWARDING THE PROJECT AT THE FEBRUARY 4, 2020 CITY COUNCIL MEETING. MAYOR TAYLOE SECONDED THE MOTION.

Council discussion ensued about the timeline for bids.

MOTION CARRIED 3-1. COUNCIL MEMBER SWANSON OPPOSED.

9.3. Engineering Services Proposal for North Sluetter Road Project

Jason Gorr stated that Tim Houle has compiled a Proposal for Design Engineering Services for North Sluetter Road as requested at the November 5, 2019 Council meeting. He stated the Proposal includes a recap of history, parcel specifics, jurisdiction and ownership, right-of-way, drainage needs, rules, road standards established, construction recommendations, pictures, fees, scope of work, schedule, and costs which includes a special assessment discussion.

Mr. Houle stated that WSN met with Mr. Gorr, Ms. Malecha and an Anderson Brothers' representative. He stated that Anderson Brothers provided some quotes to the City in the past and they discussed what was included in these quotes. He stated that there are three segments of the road as discussed at previous meetings and he pointed out again that it is important to take care of drainage to extend the life of the road.

Mr. Houle stated that the North Section is already paved and was a developer driven project. He stated the first part of the road has a good cross section, clearing and ditching but the middle section needs work. Mr. Houle stated the Council passed a motion to include the rustic road standards which would minimize clearing.

Council discussion ensued about a bituminous curb and gutter approach to handle the drainage.

Mr. Houle discussed identifying the right-of-ways but not formalizing them. He stated the City can use prescriptive rights since they are maintaining the road and space around the road. He stated they would not do a lot to change the vertical profile of the road unless it is necessary and storm drainage will be the biggest task.

Mr. Houle noted the fee they are presenting is estimated at \$33,100 to do all of the design and survey work and to obtain the bids. This fee does not include field delineation of wetlands but there appears to be wetlands in the middle segment but they will stop construction short of any wetlands. He stated that meetings with property owners on the Loon Lake Township side have not been included in the fees but if there would be a series of meetings including WSN their fee would be adjusted.

Mr. Houle discussed special assessments and his understanding that property owners want the improvements but do not want to be assessed. He stated if special assessments will be used they can assist the City with the process but it would add another \$4,000 to the fee.

Council discussion ensued about options being presented to the Council after surveying the Road and about the City's policy for rustic roads.

Council Member Swanson stated they should special assess this Road Project since it is not a commonly used road by most residents.

Council discussion ensued about Pequot Lakes' property owners agreeing to pay special assessment to have a paved road and the hearing process is to enable the City to hear from those property owners.

Council Member Pederson agreed that he would like to explore the special assessment process for this Road and he discussed the condition of the Road.

Tim Houle summarized the special assessment process and stated that it has several steps. He stated the first step is a petition by the affected property owners or initiation by the City Council. He noted there has been a petition presented by the property owners but that petition has phrasing in it that they would not want to be special assessed. Mr. Houle stated the Council would need to initiate a project and there are forms from the League of Minnesota Cities that can be used. He said if the Council wanted to start the process the timeframe would bring them into March with all the steps.

Ms. Malecha informed the Council that if they would like to proceed with the special assessment project for North Sluetter Road they would need to adopt a resolution ordering preparation of the report on North Sluetter Road.

MAYOR TAYLOE MOVED TO ADOPT THE RESOLUTION 19-41 ORDERING PREPARATION OF REPORT ON NORTH SLUETTER ROAD. COUNCIL MEMBER SWANSON SECONDED THE MOTION. MOTION CARRIED 4-0.

COUNCIL MEMBER SEILS MOVED TO ACCEPT THE ENGINEERING SERVICES PROPOSAL FROM WIDSETH SMITH AND NOLTING FOR NORTH SLUETTER ROAD IN THE AMOUNT OF \$33,100 AND AN ADDITIONAL \$4,000 FOR SPECIAL ASSESSMENT ASSISTANCE. COUNCIL MEMBER SWANSON SECONDED THE MOTION. MOTION CARRIED 4-0.

Mr. Houle added they did not set the proposal on a step by step basis but with the inclusion of the special assessment process they will do the tasks necessary for the first steps in the special assessment process and they will not jump into a full-blown design in case the Council receives feedback and there is a change in the Council's decision.

9.4. Maintenance Worker Resignation

Nancy Malecha informed the Council that Lance Ray has submitted his resignation as Maintenance Worker effective November 29, 2019. She stated that Mr. Ray has been with the City for 13 years and the City is grateful for Mr. Ray's dedication and years of service to the City.

The Council acknowledged Lance Ray's resignation as Maintenance Worker and thanked him for his service to the City.

9.5. Request to Hire Maintenance Worker

Nancy Malecha stated that she and Jason Gorr are recommending the hiring of Nick Roy as a Maintenance Worker in the Public Works Department to fill the vacancy resulting from a recent resignation. She stated that a successful background check has been processed and the pre-employment screening was successful as well. Ms. Malecha stated that Mr. Roy has verbally accepted this position with the City and will begin employment on December 4, 2019 at Step 1.

MAYOR TAYLOE MOVED TO APPROVE THE HIRING OF NICK ROY AS A FULL-TIME MAINTENANCE WORKER IN THE PUBLIC WORKS DEPARTMENT, AT AN HOURLY WAGE OF \$18.58 (GRADE 10, STEP 1) WITH BENEFITS. COUNCIL MEMBER SWANSON SECONDED THE MOTION.

Council Member Pederson stated that he will be voting no because he wants to remain consistent in his belief that there is not a need for another Maintenance Worker.

MOTION CARRIED 3-1. COUNCIL MEMBER PEDERSON OPPOSED.

10. Administration

The following items were received by Council.

- November 14, 2019 draft Park Commission minutes
- November 19, 2019 draft EDC minutes
- November 19, 2019 HRA minutes

10.1. Statutory Limit Waiver

COUNCIL MEMBER SEILS MOVED NOT TO WAIVE THE STATUTORY TORT LIMITS. COUNCIL MEMBER SWANSON SECONDED THE MOTION. MOTION CARRIED 4-0.

10.2. Legal Services Rate Changes

Nancy Malecha informed the Council that the City received a notice of hourly rate changes from Flaherty & Hood, P.A. for the following professional services.

- General Municipal Matters – Hourly rate will be increasing from \$140 to \$145.
- Real Estate Matters – Hourly rate will be increasing from \$145 to \$150.
- Labor and Employment Matters – Hourly rate will be increasing from \$155 to \$160.
- Litigation Matters – Hourly rate will be increasing from \$155 to \$165

Ms. Malecha further requested that the City not become a member of the Coalition for Greater Minnesota Cities (CGMC), as referenced in the letter from Flaherty & Hood, P.A., as the dues are quite expensive and the City utilizes the League of Minnesota Cities as lobbyists at the State level.

The Council acknowledged the hourly rate changes from Flaherty & Hood, P.A.

10.3. Call Special Meeting for January 21st

Nancy Malecha requested a Special City Council Meeting on January 21st at 6:30 p.m. to discuss goals and project priorities for 2020.

MAYOR TAYLOE MOVED TO CALL A SPECIAL CITY COUNCIL MEETING FOR JANUARY 21, 2020 AT 6:30 P.M. FOR THE PURPOSE OF DEFINING THE CITY'S 2020 WORK PLAN. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 4-0.

10.4. Personnel Committee Recommendations

Nancy Malecha stated that the Personnel Committee, consisting of herself, Council Member Pederson, and Council Member Seils, met on November 5th and are recommending approval of personnel policy and pay structure changes effective January 1, 2020 for non-union employees. She stated that these changes are currently in place for union employees.

COUNCIL MEMBER SEILS MOVED TO APPROVE PERSONNEL POLICY AND PAY STRUCTURE CHANGES FOR NON-UNION EMPLOYEES EFFECTIVE 1-1-20 AS FOLLOWS: REVISION OF THE VACATION SCHEDULE FROM 14 YEARS TO 12 YEARS; AN INCREASE OF THE MONTHLY HSA CONTRIBUTION FOR FAMILY COVERAGE FROM \$200 TO \$225; REMOVAL OF VACATION HOURS USED COUNTING TOWARDS HOURS WORKED; AND A 2% COST OF LIVING ADJUSTMENT PLUS A STEP INCREASE, CONTINGENT ON A SUCCESSFUL PERFORMANCE REVIEW. MAYOR TAYLOE SECONDED THE MOTION. MOTION CARRIED 4-0.

10.5. 2020 Health Insurance Premiums

Nancy Malecha reminded the Council that there will be a 13.02% increase in premiums for 2020 and if the City was not a part of the Sourcewell health insurance pool, the premium increase would be 46%.

10.6. Respect MN Pledge Resolution

Nancy Malecha stated that at the November 5th City Council Meeting, Joe Kramer and Erin Lang presented the Respect Minnesota Pledge. She stated that the Council tabled this item and requested it be placed on the December 3rd agenda for consideration.

MAYOR TAYLOE REMOVED THE RESPECT MINNESOTA PLEDGE AGENDA ITEM FROM THE TABLE. COUNCIL MEMBER SWANSON SECONDED THE MOTION. MOTION CARRIED 4-0.

COUNCIL MEMBER SWANSON MOVED TO ADOPT THE RESOLUTION SUPPORTING THE RESPECT MINNESOTA PLEDGE. MAYOR TAYLOE SECONDED THE MOTION. MOTION FAILED 0-3. COUNCIL MEMBER PEDERSON ABSTAINED.

10.7. HRA Commissioner Resignation

Nancy Malecha informed the Council that Clara Nelson has resigned from the HRA Commission and her term would have expired on December 31, 2022. Ms. Malecha stated the City is grateful for Ms. Nelson's six years of service on the HRA Commission.

The Council acknowledged Clara Nelson's resignation from the HRA Commission and thanked her for her service to the City.

11. Other Business

Dan Ronning stated that he is concerned about the flag display and the lack of lighting for the United States Flag. He questioned what is being done to resolve the issue. Ms. Malecha stated the Planning Commission is reviewing this issue because upward lighting is not allowed and they are considering changing the ordinance to allow for upward lighting of flagpoles in the Public zoning districts.

12. Adjournment

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

The meeting of the City Council adjourned at 8:12 p.m.

Respectfully submitted,

Angie Duus
City Clerk/Treasurer

James Tayloe
Mayor