

**MEETING OF THE PEQUOT LAKES CITY COUNCIL
TUESDAY, AUGUST 6, 2019
PEQUOT LAKES CITY HALL**

Members Present: Mayor Pro-Tem Seils, Council Members Akerson, Pederson, and Swanson

Members Absent: Mayor Tayloe

Staff Present: Nancy Malecha, City Administrator; Angie Duus, City Clerk/Treasurer; Dawn Bittner, Zoning Specialist; Jason Gorr, Public Works Director; and Tim Houle, City Engineer

1. Call Meeting to Order

Mayor Pro-Tem Seils called the meeting of the Pequot Lakes City Council to order at 6:30 p.m.

1.1. Pledge of Allegiance

Mayor Pro-Tem Seils led with the Pledge of Allegiance.

2. Consider Agenda

Nancy Malecha requested to add 10.4 August 20, 2019 Special City Council Meeting Agenda.

COUNCIL MEMBER SWANSON MOVED TO APPROVE THE AGENDA AS AMENDED. COUNCIL MEMBER AKERSON SECONDED THE MOTION. MOTION CARRIED 4-0.

3. Consent Agenda

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

- 3.1. JULY 2, 2019 CITY COUNCIL MEETING MINUTES.
- 3.2. CHECK REGISTER FROM JULY 3, 2019 TO AUGUST 6, 2019.
- 3.3. FINANCIAL REPORT ENDING JUNE 30, 2019.
- 3.4. LIBRARY REPORTS FOR JUNE 2019
- 3.5. RESOLUTION 19-20 ACCEPTING CONTRIBUTIONS FROM JUNE 24, 2019 THROUGH JULY 26, 2019.
- 3.6. SPECIAL EVENT PERMIT FOR PAUL'S BACON RIDE.

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

4. Open Forum

No one appeared under open forum.

5. Presentations

There were no presentations.

6. Planning and Zoning

6.1. Planning Commission Report

The July 29, 2019 Planning Commission Report and July 18, 2019 draft Planning Commission minutes.

6.2. Ordinance Amendment – Flag Pole Height

Dawn Bittner stated the Planning Commission unanimously recommends the City Council amend the City Code to allow flag poles in the Commercial and Light Industrial zoning classifications to be 60 feet in height, and 30 feet in height in all other zones. They prepared the attached Ordinance Amendment for Council consideration with the proposed language to be added.

Council Member Pederson asked if the Amendment included the Park and Ms. Bittner stated that the Park is zoned public so it would not be included. He asked if there was a discussion about the Park and Ms. Bittner stated there was and since the building height is currently 25 feet that they are allowing flags to be 30 feet high in all of the other zoning classifications besides Commercial and Light Industrial.

Council Member Akerson asked how they came up with the reasoning for the heights. Ms. Bittner stated they looked at the existing flag poles in town and some in surrounding communities. She stated they had a request for an 80 foot flag pole and realized the building height of 25 feet was not reasonable for flags but after much discussion and looking at existing flag poles the Planning Commission determined that 60 feet was a reasonable height for a flag pole in the Commercial and Industrial zones.

Discussion ensued about Agricultural areas, flag poles businesses in the area being non-conforming, and why the Park cannot have a 60 foot flag pole.

Council Member Akerson asked about the individual that applied for the 80 foot flag pole and why he would not be able to have that height. Ms. Bittner explained the height was at 25 feet in that area and to jump to 80 feet is extreme but now it may be changing to 60 foot and a variance could be applied.

Discussion ensued about the individual applying for a variance and flag height for the Flag Display project in the Park with flags being at 20 feet with the U.S. flag at 30 feet.

COUNCIL MEMBER SWANSON MOVED TO APPROVE ORDINANCE 19-08, SECOND SERIES AMENDING CHAPTER 17 OF THE CITY CODE REGARDING FLAG POLE HEIGHT.

Council Member Akerson asked if that can be changed to 80 feet and Mayor Pro-Tem Seils stated there is already a motion on the table.

MAYOR PRO-TEM SEILS SECONDED THE MOTION.

COUNCIL MEMBER AKERSON MOVED TO AMEND THE CURRENT MOTION REGARDING FLAG POLE HEIGHT FROM 60 FEET TO 80 FEET.

Ms. Bittner asked the Council to clarify that they are only amending the 60 feet to 80 feet in the Commercial and Light Industrial zones and the Council noted that was correct.

MAYOR PRO-TEM SEILS SECONDED THE AMENDED MOTION.

Council Member Akerson asked if there was any change to the flag heights in the Residential zones. Ms. Bittner stated those heights increased to 30 feet from 25 feet.

THE MOTION AMENDMENT FAILED 1-3. COUNCIL MEMBER PEDERSON, COUNCIL MEMBER SWANSON, AND MAYOR PRO-TEM SEILS OPPOSED.

THE ORIGINAL MOTION CARRIED 3-1. COUNCIL MEMBER AKERSON OPPOSED.

COUNCIL MEMBER PEDERSON MOVED TO AUTHORIZE THE SUMMARY PUBLICATION OF ORDINANCE 19-08, SECOND SERIES. COUNCIL MEMBER SWANSON SECONDED THE MOTION. MOTION CARRIED 4-0.

6.3. Fence Permit – John Derksen

Dawn Bittner stated that included in the packet is a list and copies of the meeting materials, correspondence, and minutes since John Derksen's property was declared a public nuisance on September 5, 2017. Ms. Bittner pointed out the motion declaring the Derksen property a public nuisance included language regarding a land use permit application for the installation of a privacy fence to be installed no later than May 1, 2018.

Discussion ensued about screening items behind a fence. Council Member Akerson stated what is in question here is waiving the \$50 permit fee for the fence since the fence was requested by the City.

COUNCIL MEMBER AKERSON MOVED TO WAIVE THE \$50 FENCE PERMIT FEE FOR JOHN DERKSEN SINCE HE WAS ASKED BY THE CITY TO PUT UP THE FENCE. COUNCIL MEMBER SWANSON SECONDED THE MOTION.

Council Member Akerson explained Mr. Derksen's history. He noted the City should take responsibility for their actions and the City of Pequot Lakes is in the wrong because one week they would say what was done is good and the next week it was not good.

Council Member Pederson stated the City's request was a suggestion of what Mr. Derksen could do to eliminate the public nuisance issue because the problem had been going on for a long time. He stated the issues started with complaints by neighbors and it was an enforcement action by the City. Council Member Pederson further stated that the City has a duty to everyone in the City to legally respond to complaints. The City followed and extended the rules many times and the discussion tonight would be on the after the fact fee of the five times rate which would be approximately \$300 and he would be against that but a \$50 fee would be acceptable. Council Member Pederson stated it wasn't a requirement of the City to build a fence, it was a requirement of the City to screen the property on behalf of the neighborhood that had originally complained.

Mr. Derksen requested that Ms. Malecha show his snowmobiles on the City website and stated that he has been persecuted for 16 years for his sleds but the City posts them on their website. Ms. Malecha stated this picture is a part of the Snowmobile Rendezvous that takes place at Trailside Park.

Mr. Derksen further stated the City persecuted him for 16 years because he runs a junk yard and that they are not junk. He requested a letter from the City that this issue is over.

MOTION FAILED. 2-2. COUNCIL MEMBERS PEDERSON AND SWANSON OPPOSED.

Discussion ensued about granting fee waivers, a timeline for compliance, and a letter to Mr. Derksen.

Council Member Pederson asked if neighbors are still complaining. It was stated that there have been no new complaints.

COUNCIL MEMBER PEDERSON MOVED TO WAIVE THE FENCE PERMIT FEE FOR JOHN DERKSEN IF HIS PROPERTY IS IN COMPLIANCE FOR A YEAR WITH NO COMPLAINTS TO THE CITY. COUNCIL MEMBER AKERSON SECONDED. MOTION CARRIED 4-0

7. Fire

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

8. Police

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

8.1. School Liaison Officer Agreement

Nancy Malecha informed the Council that the 2019-2020 Police-School Liaison Officer Agreement increased to \$43,000 which is \$5,000 more than the previous year. This Agreement runs from September 2019 through May of 2020. Ms. Malecha stated that the school board has already approved the contract.

COUNCIL MEMBER SWANSON MOVED TO APPROVE THE 2019-2020 POLICE-SCHOOL LIAISON OFFICER AGREEMENT IN THE AMOUNT OF \$43,000. COUNCIL MEMBER AKERSON SECONDED THE MOTION. MOTION CARRIED 4-0.

8.2. Part-Time Police Officer Resignation

Ms. Malecha stated that Dan Schad has resigned as a part-time police officer and he has been with the Police Department for five years. Council Member Akerson requested the City send a letter to Mr. Schad for his years of service.

Ms. Malecha stated the Police Department would like to hire two part-time police officers as Elisha Dwyer has also resigned. They are requesting the hiring of Bailey Boelter and Jonti Roos at the same level as the other part-time officers which is Grade 11 and Step 1.

COUNCIL MEMBER AKERSON MOVED TO APPROVE THE HIRING OF BAILEY BOELTER AND JONTI ROOS AS PART-TIME POLICE OFFICERS AT AN HOURLY WAGE OF \$19.88 (GRADE 11, STEP 1). COUNCIL MEMBER SWANSON SECONDED THE MOTION. MOTION CARRIED 4-0.

9. Public Works Report

The July 2019 Public Works Report was received by Council.

Council Member Pederson asked about the report's notation of heavy maintenance at the dog park. Jason Gorr said they pay a lot of attention to this Park because of the high use and they have received a lot of compliments but there is not heavy maintenance.

Council Member Pederson asked about it being built with volunteer labor and if the City is spending a lot of time maintaining it then maybe we should consider charging for the maintenance. Mr. Gorr stated that since it is City owned there is a liability risk with having volunteers maintain the Park.

Council Member Pederson asked for clarification on what maintenance is done at the Park and if the mowing includes the pond area too. Mr. Gorr stated they mow and weed whip every week because of the fence and they also mow the pond area. Mr. Pederson asked if the mowing at the wastewater ponds gets charged to the Sewer Department since they are mowing sewer related material and it

should not being charged to the general public. Mr. Gorr said he would explore this further.

9.1. Crack Sealing Projects

Jason Gorr discussed the high priority of crack sealing projects for 2019. He stated to properly maintain Patriot Avenue and Main Street bids came back at \$10,679.73. Mr. Gorr stated that Patriot Avenue and Main Street are a huge maintenance issue and the City needs to keep up on it so we can get the longest life out of these roads and the best way to do that is by crack sealing. He stated that if cracks are not sealed water gets in there and it starts undermining which creates more potholes and roadbed wash outs. He is requesting Council approval to crack seal Patriot Avenue and Main Street with monies from the Highway 371 Fund.

COUNCIL MEMBER SWANSON MOVED TO APPROVE THE CRACK SEALING OF PATRIOT AVENUE AND MAIN STREET IN THE AMOUNT OF \$10,679.73 FROM ANDERSON BROTHERS TO BE PAID FROM THE HIGHWAY 371 FUND. COUNCIL MEMBER AKERSON SECONDED THE MOTION. MOTION CARRIED 4-0.

9.2. Request to Purchase Trailer

Jason Gorr stated the Public Works Department needs a trailer to haul equipment efficiently and safely. He said it would be used for hauling the skid steer and mowers around town. Mr. Gorr stated they cannot properly transport this equipment and sometimes the equipment is needed up to 1.5 to 7 miles away from the maintenance shop for snow removal, mowing, or street repair.

Mr. Gorr explained the quote from AAA Equipment Center for \$7,749 which is close to what a state bid would be even though he is not a state vendor. The Felling Trailer is 22' long and it would be used for the skid steer with attachments. He stated the trailer would haul two mowers at a time and make it easier to get them around town instead of driving the mowers from the shop to town saving wear and tear and providing a better response time for the community.

Discussion ensued about storing the mowers at City Hall and the distance to do maintenance of the mowers causes just as much mileage on the mowers as storing them at the City Public Works Facility.

Council Member Pederson asked if they currently had a trailer and if that trailer would be sold. Mr. Gorr stated they have a single trailer that only accommodates one mower and they would not be selling it because it would be useful if they need to use all three mowers.

Council Member Pederson confirmed that this is not a budgeted item. Mr. Gorr stated there is some capital outlay budget money remaining in the 2019 Roads and Streets Budget.

COUNCIL MEMBER AKERSON MOVED TO ACCEPT THE QUOTE FROM AAA EQUIPMENT CENTER IN THE AMOUNT OF \$7,749 TO PURCHASE A 22' FELLING TRAILER TO BE PAID FROM THE 2019 ROADS AND STREETS CAPITAL OUTLAY BUDGET. COUNCIL MEMBER SWANSON SECONDED THE MOTION. MOTION CARRIED 4-0.

9.3. Traffic Study Update

Tim Houle updated the council on the Traffic Study and the scope of work being done at the end of August. He stated the Council will see a final report at the September City Council Meeting. Mr. Houle stated part of the scope was to have two meetings and the second meeting occurred on August 5, 2019 with the team consisting of Nancy Malecha, Jason Gorr, Dawn Bittner and Council Member Seils where they reviewed a draft final report. Mr. Houle stated that for the traveling public they will not see changes in the traffic control devices but the timing may be adjusted. Mr. Houle further stated there was some pavement striping suggestions and seasonal removable traffic control device concepts were discussed. The traffic report has a five year projection as well as a twenty year projection.

Discussion ensued about the availability to view the footage and the useful content they will see in the report.

9.4. Hire Maintenance Worker

Nancy Malecha informed the Council that she and Jason Gorr interviewed five applicants on August 2nd for the full-time Maintenance Worker position and they received about 20 applications. They are recommending the City hire Chad Turcotte for this position as Mr. Turcotte is looking for a career change. If he declines Ms. Malecha would like to offer this position to candidate #2 and then candidate #3 if needed. Ms. Malecha said that Mr. Turcotte has helped the Public Works Department with plowing the past winter season and if Mr. Turcotte accepts the offer he would start at Step 1 of the City's current pay structure.

COUNCIL MEMBER AKERSON MOVED TO APPROVE THE HIRING OF CHAD TURCOTTE AS A FULL-TIME MAINTENANCE WORKER IN THE PUBLIC WORKS DEPARTMENT, AT AN HOURLY WAGE OF \$18.58 (GRADE 10, STEP 1) WITH BENEFITS, AND CONTINGENT UPON A SUCCESSFUL PRE-EMPLOYMENT SCREENING. COUNCIL MEMBER SWANSON SECONDED THE MOTION.

Council Member Akerson asked how that would work with the wage he is making now as Police Sergeant. Ms. Malecha stated he would no longer be Sergeant and he would need to go into the new grade as a maintenance worker and that

Mr. Turcotte is aware of that. Ms. Malecha requested that if the Council has specific questions for Mr. Turcotte that they ask him directly since this is a public meeting and there is only so much Ms. Malecha can share.

Discussion ensued about Mr. Turcotte's work ethic and good character.

Council Member Pederson stated his concern is with how hiring another Maintenance Worker fits in with the budget and when he votes on the motion it has nothing to do with Mr. Turcotte.

Mayor Pro-Tem Seils pointed out that the hiring of another maintenance worker has already been approved.

MOTION CARRIED 3-1. COUNCIL MEMBER PEDERSON OPPOSED.

Nancy Malecha asked for Council approval to begin the hiring process for a Police Sergeant if Chad Turcotte accepts the position. She also asked that if the Sergeant position is filled from within that she have permission to hire a full-time Police Officer.

Discussion ensued about when Mr. Turcotte would need to begin this new position in the Public Works Department if he accepts.

COUNCIL MEMBER AKERSON MOVED TO BEGIN THE PROCESS TO HIRE A FULL-TIME POLICE SERGEANT OR FULL-TIME POLICE OFFICER IF THE SERGEANT POSITION IS FILLED FROM WITHIN. COUNCIL MEMBER SWANSON SECONDED THE MOTION. MOTION CARRIED 4-0.

9.5. North Sluetter Road Improvement Petition

Ms. Malecha stated that property owners along North Sluetter Road presented the City with a petition for improvements to their road and that information is included in the packet. She stated that Mr. Graham and Mr. Fogarty are in the audience and they may want to address the Council. Ms. Malecha noted the resolution that was drafted determining the legality of the petition for local improvements.

Council Member Akerson said that he appreciates the petition but they cannot be driven by that. He brought up the financial situation with Rasmussen Road and discussed how the City will address improvements. He noted that it is premature to do anything with North Sluetter Road this year as Loon Lake Township is not on board to do anything for that Road.

Council Member Swanson would like to see the numbers presented by Mr. Graham and Mr. Fogarty be given to the City's financial consultant and let them figure out what the financing would look like.

Discussion ensued about the quote numbers, rustic road classifications, inches of the pavement with the current bid, and deterioration concerns relating to the inches.

Maury Graham and John Fogarty addressed the Council. Mr. Fogarty stated the only thing the residents are interested in is paving the road and are not trying to make it a big, expensive project. Mr. Graham stated all of the residents on the Road are in favor of paving the road, keeping the road at its current width, and keeping the hills so that speed is not an issue. He stated the bid provided by Anderson Brothers a couple years ago was \$124,000 and now it is \$155,000 since many factors have increased the cost of asphalt. He stated this is a fairly accurate cost if the road bed is not changed. Mr. Graham noted the timing was good to bring up paving this Road to the Council since the City is looking into bonding for other road improvements.

Mr. Graham discussed the amount of property taxes paid by residents and it is their understanding that 25% of those taxes is supposed to go to road improvements. He said approximately \$5,000 a year goes to calcium chloride and grading per year and that will be saved if the road is paved.

Discussion ensued about upkeep on paved roads and priority of roads to be paved.

Mr. Graham asked how long until North Sluetter Road qualifies for paving. Council Member Pederson said some people may say that they may never qualify and it is unfortunate that they do not have Loon Lake Township selling property on the other side of the road nor are they on board with making improvements to the Road.

Council Member Pederson said he is in favor of taking a look at paving the Road because they as City residents are doing what they are supposed to be doing to try to get something done. He said that he would agree to the suggestion of giving the information to the financial consultant to look at and analyze what it would take to add another couple hundred thousand dollars to a general obligation bond with the Rasmussen Road Project.

Discussion ensued about the bid received from Anderson Brothers, the grade of paved roads, what the residents of the road are receiving for the taxes they pay, and the street priorities for the City.

Mr. Graham stated they don't want the City to raise the tax rate which he noted is already too high but would like the tax base raised and that cannot be done living on a gravel road. He stated their property value is not what it should be since they are on a gravel road. Mr. Graham noted that you generate a tax base by making properties desirable to buyers.

COUNCIL MEMBER SWANSON 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. COUNCIL MEMBER AKERSON SECONDED THE MOTION. MOTION CARRIED 4-0.

Administration

The following items were received by Council.

- July 11, 2019 draft Park Commission minutes
- July 16, 2019 draft EDC minutes
- July 16, 2019 HRA minutes

10.1. Business Park Prospect

Nancy Malecha stated that included in the packet is the project, background, timeline, and purchase price information from Joe Dotty of Dotty Holdings who is interested in purchasing the City's final lot for sale in the Pequot Lakes Business Park. This lot is #13 just south of Lonesome Cottage Furniture Company and the lot is 1.85 acres in size. Ms. Malecha stated that the Economic Development Commission (EDC), at their meeting held on July 16th, reviewed this information and is recommending the City continue negotiations and draft documents with Mr. Dotty to include a due diligence hold until October 15, 2019 to not sell this property to another prospect as this will give Mr. Dotty time to compile all the information needed for the purchase of this property.

Ms. Malecha said the EDC further noted the Council may want to include some of the Heart of the Good Life Development zoning standards on this property due to its close proximity to this Development; however, after a discussion with Dawn Bittner she said it would be difficult to do this as these standards have yet to be finalized and are in a different zoning classification. Ms. Malecha said she can give Mr. Dotty a draft of these standards and if he is interested in incorporating some of them for this property the City would appreciate it.

COUNCIL MEMBER SWANSON MOVED TO AUTHORIZE THE CITY ADMINISTATOR TO NEGOTIATE AND DRAFT DOCUMENTS FOR THE SALE OF PEQUOT LAKES BUSINESS PARK LOT #13 WITH THE PROSPECTIVE BUYER, JOE DOTTY OF DOTTY HOLDINGS, AND FURTHERMORE AUTHORIZES A DUE DILIGENCE HOLD ON THIS PROPERTY UNTIL OCTOBER 15, 2019. COUNCIL MEMBER AKERSON SECONDED THE MOTION. MOTION CARRIED 4-0.

10.2. Council Chamber Upgrades

Nancy Malecha requested Council consideration to make some upgrades to the Council Chambers which would include a new TV to replace the existing projector and screen since a TV has higher definition capabilities; new audience chairs to replace the existing chairs since there has been discussion about how uncomfortable they are and how the arms make them restrictive; and a new Council dais to replace the existing Council tables. Ms. Malecha said the quotes

for the table she received were quite expensive and she received quotes from Lonesome Cottage and a vendor at Timeless Appeal. Ms. Malecha asked for the Council's opinion on upgrades. She stated if she would have to choose she would like to replace the projector with a TV first and second would be the audience chairs.

Council Member Akerson said he is on board with the TV but said the table works well for what they do.

Discussion ensued about other city councils and their tables and about upkeep on the current projector and chairs.

COUNCIL MEMBER SWANSON MOVED TO AUTHORIZE THE CITY ADMINISTRATOR TO MAKE AN UPGRADE TO THE COUNCIL CHAMBERS TO INCLUDE THE PURCHASE OF A TV. COUNCIL MEMBER AKERSON SECONDED THE MOTION. MOTION CARRIED 4-0.

10.3. Vision, Mission, Values Statements

Nancy Malecha stated a 2019 project priority for the Administration Department was to establish a vision, mission, and values statements for the City. She stated that for the past several months, the City's Leadership Team, consisting of herself, Eric Klang, Chad Turcotte, Dawn Bittner, Tom Nelson, Jason Gorr, and Angie Duus, has been discussing these.

- Vision – “To provide community services that help create, enhance, and continue traditions of being a great place to live, work, and play.”
- Mission – “Our mission is to encourage economic development opportunities, preserve our natural resources, offer diverse recreational and mobility options, and ensure safe neighborhoods.”
- Values – “Equality. Quality of Life. Respect. Professionalism. Teamwork.”

COUNCIL MEMBER AKERSON MOVED TO IMPLEMENT THE VISION, MISSION, AND VALUES STATEMENTS FOR THE CITY AS PRESENTED BY THE LEADERSHIP TEAM. COUNCIL MEMBER SWANSON SECONDED THE MOTION.

Council Member Akerson asked if these could be changed at any time. Ms. Malecha said they can change but in her opinion they would not want to change them on a regular basis and it would have to come before the Council to make changes in the future. Ms. Malecha stated these would be placed on the City's website in the near future.

Council Member Pederson asked if statements from other cities were looked at and noted the vision and mission statements presented are cumbersome. Nancy Malecha stated others were looked at as examples.

MOTION CARRIED 4-0.

10.4. Agenda Updates for August 20, 2019 Special Council Meeting

Nancy Malecha said she would like to add a few agenda items to the August 20th Special City Council Meeting agenda. She stated she would like to review the Water and Wastewater Operations Agreement with the Pine River Area Sanitary District, the Trailside Park Master Plan financial deficiency in the Capital Improvement Fund, and the Cooperative Agreement with the DNR for the Flag Display walking paths abutting the Paul Bunyan Trail.

11. Other Business

There was no other business.

12. Adjournment

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

The meeting of the City Council adjourned at 8:05 p.m.

Respectfully submitted,



Angie Dyus
City Clerk/Treasurer



Cheri Seils
Mayor Pro-Tem