

**MEETING OF THE PEQUOT LAKES CITY COUNCIL
TUESDAY, SEPTEMBER 6, 2022
PEQUOT LAKES CITY HALL**

Members Present: Mayor Gardner, Council Members Clement, Pederson, Ronning, and Seils

Members Absent:

Staff Present: Rich Spiczka, City Administrator; Angie Duus, City Clerk/Treasurer; Nick Roy, Public Works Lead; Tim Houle, City Engineer; and Ryan Franz, Police Sergeant

1. Call Meeting to Order

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

1.1. Pledge of Allegiance

Mayor Gardner led with the Pledge of Allegiance.

2. Consider Agenda

COUNCIL MEMBER SEILS MOVED TO APPROVE THE AGENDA AS PRESENTED. COUNCIL MEMBER CLEMENT SECONDED THE MOTION. MOTION CARRIED 5-0.

3. Consent Agenda

COUNCIL MEMBER RONNING MOVED TO APPROVE THE CONSENT AGENDA AS PRESENTED:

- 3.1. SEPTMEBER 6, 2022, REGULAR CITY COUNCIL MEETING MINUTES**
- 3.2. CHECK REGISTER FROM AUGUST 8 2022, TO SEPTEMBER 6, 2022.**
- 3.3. FINANCIAL REPORT ENDING JULY 31, 2022.**
- 3.4. JULY LIBRARY REPORT AND AUGUST LIBRARY CHAIR REPORT**
- 3.5. RESOLUTION 22-27 ACCEPTING CONTRIBUTIONS FROM JULY 28, 2022, THROUGH AUGUST 31, 2022.**
- 3.6. TEMPORARY EXPANSION PREMISE LICENSE**

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

4. Open Forum

Robin Sylvester introduced herself to the Council and informed them she is running for County Commissioner.

5.1. Splash Pad Update

Rich Spiczka stated that all fixtures are installed. Nick Roy said Pikes is the plumber and there will be a test run during the weekend for a few hours before it must be winterized. Mr. Spiczka stated there will potentially a Grand Opening on Thursday of Memorial weekend 2023.

5.2. Griffin Court Issue

Larry Leege (4467 Griffin Circle) addressed the Council. He stated there are six families that live in the subdivision. He said there has always been a water and sand problem since the building was built. He said the president of the association put a "bump" in the road without permission. He stated that it is on the City right-away. He said it is a traffic hazard and it is difficult to get in and out of the subdivision because of the bump. Mr. Leege would like to see the bump taken out and has offered to pay to have it taken out. He stated communication can be done through him, as the president has resigned, and he will then forward the information to the Association Board of Directors. Mr. Spiczka stated water and sand would run in if there wasn't something there. Mayor Gardner stated that he would like Nick Roy and Tim Houle to look at the issue. Mr. Houle stated the bump could be taken out and possibly a concrete apron that slopes back toward street could be put in. He said it will be more of a hump than a bump. Discussion ensued about the city asking to have the bump removed out of the right of way, as it was not authorized by the City. Mr. Leege would like to see the apron installed to remedy the water run-off issue. Mr. Houle suggesting putting in a surmountable curb, like the curb to the north. Council directed staff to look for a remedy and obtain costs.

5.3. Preliminary Levy

Rich Spiczka stated that staff is requesting the Council to set the Preliminary levy at \$2,251,135 which is the 50% tax rate goal that the Council had set in the prior year. He stated some capital projects could be addressed with the tax rate. Council member Pederson said what is nice about that number they reach the 50% goal, and they can stay at the 50%. He further stated that this has been the idea for several years to keep tax rate lower and still having the funds to do what the City needs to do. Mayor Gardner said this a substantial jump and he does not believe it is going to be the norm. Council member Pederson is comfortable with the 50% and he said the county usually gives a conservative number. Council Member Pederson also stated that the tax rate is dropping 2.5% and a total of 5% in the last two years. Mayor Gardner said he would like to see the preliminary set at \$2.1 million. Council member Ronning would like to see the 50%. Mr. Spiczka said the goal set by Council previously was 50% and to stay at flat, sustainable percent. He said if we are always dialing it back, improvement projects won't get done. Mayor Gardner would like to look at the amenities and expenses to make sure they are necessary. He also would like hard discussions on if anything can change. Discussion ensued about the appraised value of property and the stability of tax rates.

COUNCIL MEMBER CLEMENT MOVED TO SET THE PRELIMINARY LEVY AT \$2,251,135, THE 50% TAX RATE GOAL. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 4-1. MAYOR GARDNER OPPOSED.

5.4 Meeting Date for Setting Final Levy

COUNCIL MEMBER CLEMENT MOVED TO SET THE FINAL LEVY MEETING ON DECEMBER 5, 2022. COUNCIL MEMBER PEDERSON SECONDED THE MOTION. MOTION CARRIED 5-0.

6. Planning and Zoning

6.1. Planning Commission Report

The September 1, 2022, Planning & Zoning Commission Report and August 18, 2022, Planning & Zoning minutes were received by Council.

7. Fire

7.1. Fire Report

The August 2022 Fire Department Report was received by Council.

Mayor Gardner offered if anyone has any comments or questions on how the new Fire District is going, they can reach out to him or Council Member Clement, as they are both on the board. Rich stated if the Council would like to attend to notify him so they can post a Notice of Quorum.

8. Police

8.1 Police Department Report

The July 2022 Police Department Monthly Report was received by Council.

Discussion ensued about vandalism of signs, specifically a swastika spraypainted on a sign visible on Hwy 371. Sgt. Franz stated that Chief Klang has talked to property owner about the sign.

8.2 LELS Sgt. Contract

Council member Ronning stated that he appreciates Sgt. Franz's has been patience during contract negotiations. Mayor Gardner asked if the contract would be back dated to May 1, 2022 and Mr. Spiczka said it will be. Council Member Pederson state that this will be moving Sgt. Franz from an at-will employee to a union employee. Mr. Spiczka stated negotiations came to light because of the dramatic pay and benefits difference; union officers had a better deal going than

Sgt. Franz did. He said this will put him in a similar pay structure as the officers. Discussion ensued about various police contracts.

MAYOR GARDNER MOVED TO APPROVE THE LELS SGT. CONTRACT. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 5-0.

8.3 ARPA Funds for Radio Replacement

Sgt. Franz stated the radios in squads are becoming outdated and Motorola is not supporting them any longer. He said law enforcement radios are moving to encrypted channels and the current radios the police department has does not support that functionality. Discussion ensued about how radio channels work and how Pequot Lakes communicates with other local agencies. Mr. Spiczka stated \$10,000 of ARPA funds have already been designated to the Library. Sgt. Franz stated the Fire District could potentially utilize the old radios, as they do not use encrypted channels and the encryption of channels has been new technology arising over the past few years. He stated one radio has already been purchased due to the selling of an old squad car to the Fire District and the current radios the police department has are well over 12 years old. He said the radios they are looking at are the ones recommended by state.

COUNCIL MEMBER PEDERSON MOVED TO APPROVE THE USE OF \$45,000 OF ARPA FUNDS TO REPLACE MOBILE AND PORTABLE RADIOS FOR THE POLICE DEPARTMENT. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 3-2. MAYOR GARDNER AND COUNCIL MEMBER CLEMENT OPPOSED.

9. Public Works

9.1. Public Works Report

The August 2022, Public Works Monthly Report was received by Council.

Rich Spiczka stated that two lawn mowers are currently for sale on Facebook Marketplace. He said offers will be taken starting on September 14, 2022. He stated that there are a lot of street projects that need to be done and ARPA funds can be used to complete them.

Mayor Gardner addressed Nick Roy about another sink hole is appearing on McGill Street.

Mr. Roy raised a question about carryover funds. He would like to request to use \$12,495 for spray patching. Mayor Gardner asked for it to be a separate item on the agenda in the future.

COUNCIL MEMBER CLEMENT MOVED TO APPROVE THE USE CARRYOVER FUNDS IN THE AMOUNT OF \$12,495 FOR SPRAY PATCHING.

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

9.2. 9th Avenue Update

Mr. Spiczka stated that currently three entities are willing to work on this project together and that might not be the case in the future. He said Loon Lake Twp and Jenkins would like a ten-ton road standard as they are worried about the viability of the road if it does not have this standard, due to the amount of truck traffic. Council member Pederson states trucks should be banned from 9th Ave as CR 17 is built for truck traffic. He said the City put a "No Truck" restriction on Rasmussen Rd for the same reason. He further stated it would make sense to ban trucks for the longevity of the road. Council would like to see the numbers of building a heavier road for trucks. Discussion ensued about enforcing the truck ban and how current five-ton signs are being ignored by drivers. Mr. Spiczka stated they are looking for two bids on the project.

10. Administration

10.1. Administration Report

Mr. Spiczka stated the company wanting to build an apartment complex is going back through the Planning Commission to create a Residential Development Zone in the Heart of the Good Life. He said this will have to go through a public hearing. Discussion ensued about having a Special P&Z meeting if needed. Mr. Spiczka stated communication is key for the organization and discussed a timeline for the City to keep the project moving forward.

Mr. Spiczka said the City is waiting on a bid from Schrupp for Coleman Drive and the McGill Street bid is \$16,000. He said there should be a guardrail installed. Discussions ensued about bids and timelines.

Mr. Spiczka stated CIP will be discussed at length at the October Council Meeting as Jason Murray from David Drown Associates will be invited to that meeting.

Mr. Spiczka stated he watched the test section on Patriot Avenue in the morning and observed traffic slowing down dramatically. He also did not observe any school buses using this route. Council Member Seils stated she does not see anyone utilizing the parking there. Mr. Spiczka said it does not get used unless there is a large event in the City. Discussion ensued about parking.

10.2. Boards and Commissions Draft Minutes

Council received the following items:

- August 16, 2022, draft HRA Meeting Minutes
- August 16, 2022, draft EDC Commission Meeting Minutes

Mayor Gardner raised a question on the EDC minutes. Change verbiage under School Update, should say "commission". Rich stated "license" verbiage is correct on Olson Street.

10.3. Junior Council Member

Mayor Gardner would like to change the term from the school year to January 1 through December 31, instead of the school year. He stated that the school is excited about the program and Principal Aaron Nelson will work with leadership councils and other programs to find a good candidate.

MAYOR GARDNER MOVED TO APPROVE RESOLUTION 22-28 ESTABLISHING THE JUNIOR COUNCIL MEMBER PROGRAM WITH THE AMENDED DATES OF JANURARY 1ST TO DECEMBER 31ST. COUNCIL MEMBER CLEMENT SECONDED THE MOTION. MOTION CARRIED 5-0.

10.4. Comparative Study Update: Hiring of Library Coordinator

Council member Ronning stated he was very impressed with the candidate and that the City is lucky to have a person of her caliber and experience.

COUNCIL MEMBER RONNING MOVED TO APPROVE THE HIRING OF LINDA OLSON AT \$23 PER HOUIR AS THE PART-TIME PEQUOT LAKES LIBRARY COORDINATOR. COUNCIL MEMBER PEDERSON SECONDED THE MOTION. MOTION CARRIED 5-0.

10.5. Trailside Estates

Mr. Spiczka reminded the Council that Thomas Allen Homes was chosen to work on the Trailside Estates project. He said the goal is to get foundation in ground before winter and they would like to use workforce housing through the HRA in Crow Wing County to have incentives for homeowners. He said there are programs available for people looking to live in our area. He said the contractor would like signage for people to be aware of their options and that it is viable to live in our community.

Tyler Glynn from BLAEDC added that the workforce housing is a program that sits inside the Housing Trust Fund. He stated the trust fund is what the county levies for on an annual basis and there is up to \$500,000 is put into the trust fund every year. He said there is currently \$1.4 million in this trust. He also said there is a Down Payment Assistant Program that is geared towards people who meet certain requirements. He said the stipulations include if a borrower sells the house, the money they qualified to use is paid back in full. Mr. Glynn said it is a great program, that needs more awareness. He said there is also an Employer Match Program which is if someone wants to move to the area for work and the employer is willing to front employee funds for a house down payment, this program will match that amount. Mayor Gardner raised the question about city

staff becoming familiar with the program to better assist qualified applicants. Mr. Spiczka stated we should raise awareness of this program so that the County Commissioner sees it as a viable tool and will keep funding it. Discussion ensued about the program and how to utilize funds. Council Member Pederson added that he saw a Thomas Allen sign in Nisswa and re-iterated the importance of signage to promote this program.

10.6 Reminder of Meeting Date Changes

Mr. Spiczka reminded the Council that the next City Council meeting will be on Monday, October 3rd, 2022, at 6:00 p.m. He stated City Council Meetings will take place on the first Monday of the month at 6:00 p.m. moving forward and packets will be due Wednesday at the end of the business day.

11. Other Business

No other business.

12. Adjournment

There being no further business, **COUNCIL MEMBER CLEMENT MOVED TO ADJOURN. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 5-0.**

The meeting of the City Council adjourned at 8:01 p.m.

Respectfully submitted,



Angie Duus
City Clerk/Treasurer



Tyler Gardner
Mayor