



AGENDA ITEM #3.1

REPORT TO CITY COUNCIL

Report Prepared by: Angie Duus

Date: June 5, 2023

Subject: City Council Minutes

Report: The draft minutes for the May 1, 2023, Regular City Council Meeting are attached for your review.

Council Action Requested: Council motion approving the minutes for the May 1, 2023, Regular City Council Meeting.

**MEETING OF THE PEQUOT LAKES CITY COUNCIL
MONDAY, MAY 1, 2023
PEQUOT LAKES CITY HALL**

Members Present: Mayor Gardner, Council Members Clement, Pederson, Ronning, and Seils; Junior Council Member Brayden Spiczka

Members Absent:

Staff Present: Rich Spiczka, City Administrator; Angie Duus, City Clerk/Treasurer; Tim Houle, City Engineer; and Mike Davis, Police Chief

1. Call Meeting to Order

Mayor Gardner called the meeting of the Pequot Lakes City Council to order at 6:00 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. **MAY 1, 2023, REGULAR CITY COUNCIL MEETING MINUTES**
- 3.2. **CHECK REGISTER FROM APRIL 4, 2023, TO MAY 1, 2023.**
- 3.3. **FINANCIAL REPORT ENDING MARCH 2023.**
- 3.4. **MARCH LIBRARY REPORT**
- 3.5. **RESOLUTION 23-12 ACCEPTING CONTRIBUTIONS FROM MARCH 30, 2023, THROUGH APRIL 26, 2023.**
- 3.6. **BOARDS AND COMMISSION MINUTES**
- 3.6. **SPECIAL EVENT PERMITS**

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

4. Open Forum

Jenni Gonczy, 3940 Hubbard St, asked the Council to be present at the splashpad ribbon cutting at the grand opening on May 25 from 4:00 pm to 7:00 pm. She said there are 13 groups and organizations that will be participating in the ribbon cutting. She said the whole project would not be possible without the City Council's participation. She stated she would like to close a part of the street

from East Sibley and Patriot by the lumber yard for vendors and food trucks. Ms. Gonczy said she talked to Jeff at the lumberyard, and he was fine with closing the street. Mr. Spiczka stated he would talk to Chief Davis about closing the street.

5.1. Summary of Conclusions of Evaluation

Mayor Gardner stated on April 3rd, 2023, the City Council, in a meeting evaluated the performance of Kate Peterson. He said as a city employee in accordance with the Minnesota Open meeting law, the City Council is required to summarize the conclusions of the evaluation of the performance. He said the summary of the conclusions regarding the evaluation reached by the City Council are as follows. He said the City Council concluded that Kate Peterson was unable to perform all essential functions of patrol officer and the City Council approved a motion that Kate Peterson be removed from employment with the City of Pequot Lakes, effective April 4th, 2023, which will be her last date of employment with the City for non-disciplinary reasons as specified in City Administrator Rich Spiczka's letter to Kate Peterson dated March 30th, 2023.

5.2. HOTGL Intent to Purchase

Rich Spiczka introduced Mike Angland, an Architect from Widseth who represents Level Contracting. He stated it is the entity looking into building the hotel in the HOGTL. Mr. Spiczka stated the attached letter is intent to purchase property in the HOGTL. He stated they would like to negotiate the purchase of five acres. Discussion ensued about the potential location being located by the Public Works building and Xcel. Mr. Spiczka showed drawings and pictures of what the hotel will potentially look like. Mr. Angland stated it will reflect local architecture and this design is more enhanced form what they would normally build. Discussion ensued about signage and screening being a potential hurdle. It was also discussed that there could be potential update to the current sign ordinance and screening regulations to address these hurdles. Mike Angland said there will be 70 rooms and it will have a pool and hot tub. Discussion ensued about other potential amenities the hotel may contain.

COUNCIL MEMBER RONNING MOVED TO APPROVE CITY STAFF TO NEGOTIATE THE SALE OF FIVE ACRES FOR THE DEVELOPMENT OF A HOTEL. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 5-0.

Council consensus was to look at the current ordinances and make adjustments as needed.

5.3. New Staff Introductions

Mr. Spiczka stated Chris Melin started as a full-time Police Officer a couple weeks ago and has a lot of experience. He stated Ken Evjen started on April 24th as our new maintenance worker and all is going well. The Council welcomed them to the city.

5.4. Boy Scouts of America

Debra Bultnick District Executive of Boy Scouts of America for the Pine Tree District addressed the Council and said they have a list of kids that want to join the Cub Scouts in Pequot Lakes but unfortunately there is not a pack in Pequot Lakes currently. She asked the Council to think about anyone they may know that could serve as a leader for the group. She stated that new parents that want to be a part of the organization are intimidated about the idea of taking on a leadership role because they do not understand what all is involved. She stated if they can find a leader now then the kids that can register will be able to go to summer camp but without a pack, they will be unable to attend camp. She stated the age group is K-5 and then in 6th grade is when they typically move up to Boy Scouts. Ms. Bultnick left some information for the Council and thanked them for their time.

5.5. City of Flag Flying Location

Council consensus was to bring this to the Park Commission. Discussion ensued about the heights of the American flag.

5.6. EDC Update

Mark Hallan, EDC Commission Member, addressed the Council about a future road that would enter into the HOTGL from Patriot Avenue. He stated that road would cross the Paul Bunyan Trail therefore the DNR would need to give approval on the crossing. He stated the EDC would like to take on this task and do some homework before contacting the DNR. Discussion ensued about a piece of tax forfeited property that might be able to be used and a potential location for the future road.

Ms. Duus explained the EDC would like some direction for the Council as to what the EDC goals should be this year and they would like to have a workshop with the Council to discuss goals. Council consensus was to have a workshop at 5:00 pm on June 5th before the regular Council meeting.

6. Planning and Zoning

6.1. Planning Commission Report

The March 27, 2023, Planning Commission minutes were received by Council.

6.2. WAC/SAC Waiver Fee

Rich Spiczka said the property in the attached SAC/WAC wavier application falls within the parameters that the wavier was approved for last year. Discussion ensued about this waiver approval being an administrative approval if all boxes are checked.

COUNCIL MEMBER CLEMENT MOVED TO APPROVED THE WAVIER FOR VINCENT & BECKY CRARY'S SAC/WAC APPLICATION AND APPROVED THE SAC/WAC APPLICATION BE APPROVED ADMINISTRATIVELY IF IT MEETS ALL OF THE REQUIREMENTS THAT WERE ESTABLISHED. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 5-0.

6.3. Lilac Street Vacation Discussion

Nick Makowsky, 31023 Spruce Street stated they are asking for a vacation request of the cul-de-sac on Lilac Drive. He stated they are currently going through the preliminary planning to bring to the Council, and they are hoping to turn the cul-de-sac into two driveways totaling sixty-six feet wide, thirty-three feet for each drive. He stated they own all the property around it, and they will maintain it themselves. Council consensus was for them to move forward with the application process.

7. Fire

7.1. Fire District Report

The March 13, 2023, Joint Powers Board Minutes, April 10, 2023 Joint Powers Board Minutes, and April 10, 2023 Joint Powers Board Agenda was received by Council.

8. Police

8.1 Police Report

The March 2023 monthly report was received by Council.

8.2 2023 Budget Reallocation Request

Police Chief Mike Davis said he would like to request \$7,722 to be moved from staff wages to an equipment purchase of six new rifles for officers. He stated they found some fault in those rifles and he would like one of the best manufactures for new rifles. He stated that in training they have see a couple of different malfunctions with the current rifles. He said the current ammo will fit the new rifles and they could reuse the scopes. He said the city can sell the old rifles to someone with a federal firearms license and put that money back into training or an equipment fund. Discussion ensued about using forfeiture funds to make the purchase instead of staff funds.

COUNCIL MEMBER CLEMENT MOVED TO PURCHASE 6 NEW RIFLES USING FORFITURE FUNDS. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 5-0.

8.3 Officer Resignation

The Council acknowledged Police Officer Sheri Fyle's resignation. They thanked her for her service and wished her luck with her new venture. Chief Davis said she will stay on the roster for part-time which is reflected in her resignation letter. Chief Davis stated he would also like to recognize her with a program she started at the school where a kid or teacher can write anonymously on a blank sheet of paper how another person had done something that shows they care for them, also called a third-party compliment.

Mayor Gardner asked who will be filling in at the school for the remainder of the school year. Chief Davis stated Officer Johnson said Officer Melin is ready to go on his own and they will place Sergeant Franz at the school. Discussion ensued on how long it will take to find a replacement for Office Fyle's position. Chief Davis stated they have a potential candidate and an active posting that will stay up until they have all positions filled. He said he is hoping to draw from the next graduating class and that a potential candidate will be eligible in July.

Mr. Spiczka said he had a meeting with Sourcewell and there was a discussion about helping communities with hiring officers and what they can do. He said the discussion was on how we can make our police force more desirable. He said it is affecting all Police Departments across the country. Mr. Spiczka stated if you are a good candidate, you can work anywhere in the state right now. Discussion ensued about things that make a police department more desirable and if a workshop would help with ideas.

9. Public Works

9.1. Public Works Report

Council Member Pederson suggested a building for the trailers and equipment that is sitting outside. He suggested a building with an open end or at least a covered storage space. Council consensus was to come up with a proposal for storage.

9.2. 9th Avenue Proposal

Mr. Spiczka stated after a joint work session with Loon Lake Township city staff is recommending some gravel construction for the majority of 9th Avenue, including shaving down the hill for safety and adding pavement from Krist Court to County Road 112. He stated the bid from Anderson Brothers is old, but they assured there would be no more than an eight percent increase. He stated it would be no more than \$63,000 to do the project with Pequot Lakes portion being \$31,500 at most. Discussion ensued about shaving down the hill. Mr. Spiczka stated it seemed essential to Loon Lake Township to shave down the hill. Discussion ensued about posting and enforcing truck load limits. Discussion ensued about the thickness of the Class 5 and if it was going to be enough.

COUNCIL MEMBER RONNING MOVED TO APPROVE \$31,500 FOR THE 9TH AVENUE PROJECT. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 4-1. COUNCIL MEMBER PEDERSON OPPOSED.

9.3 Patriot Avenue Design

Discussion ensued that the city may be wasting money for chip sealing and striping that will be discussed in item 9.4 with what they do with the Patriot Avenue Redesign. Rich Spiczka stated the spreadsheet in the packet explains the costs of each block and the maps are a summary of thoughts from the previous discussion about the redesign.

Tim Houle explained that the blue bubbles try to capture the comments that were made previously, and they did breakdown the costs more. He said they city needs to maintain its infrastructure, so he said the city needs to bite the bullet and do the chip sealing. He said there has not been a design approved yet for the redesign but this process should be helpful for a budgetary number. He stated Jason Murray has a nice spreadsheet plugging in different capital investments and how it impacts the levy. He said he agrees something needs to be done on the surface on Patriot between Main and Sibley because there are lines going everywhere. Discussion ensued about the chip sealing taking place in mid to late June and deciding what to do with the road before the chip sealing takes place. Discussion ensued about bump outs, parking and turn lanes. Mr. Houle stated that everyone is pretty much in agreement with the right turn lane at Patriot and Main. The Council agreed to do the chipseal and then do the striping. The Council agreed to the painting of the southern block as shown on the maps.

Mr. Houle summarized that the block from Main to Sibley can be painted close to what is shown on the map, getting rid of the turn lane, moving the bump out up a little farther north and getting rid of the bump out at the end. Discussion ensued about giving up the three parking spots by moving the bump out north. Mr. Houle said for now the bump out at the end of the block will just be painted. The Council agreed that they do not need the turn lane going left at lumber yard. Mr. Houle said what he is hearing is use the study for chip sealing the whole thing to try to preserve the pavement and use it for striping. He said we can look to the north of this study to see if we just go down to two lanes for the striping after the chip seal until we get to CASH 17 and then go back to the left turn lane. Discussion ensued about updating the drawing and getting drawing of what the city should do going north.

9.4 Crow Wing County Chip Sealing Contract

Discussion ensued about the chip seal being scheduled towards the mid to late June and the cost of approximately \$170,000 which Mr. Roy clarified it was for Patriot Road and not just the three blocks.

COUNCIL MEMBER CLEMENT MOVED TO APPROVE THE SHARED CONTRACT WITH CROW WING COUNTY FOR THE 2023 CHIP SEALING AND STRIPING OF PATRIOT AVENUE ALONG WITH STRIPING ON MAIN, RASSMUSSEN AND FRONT STREETS. COUNCIL MEMBER RONNING SECONDED THE MOTION. MOTION CARRIED 5-0.

9.5. Griffin Circle

Mr. Spiczka stated Griffin Circle is the road with the speed bump and it will cost approximately \$6,000 to fix. He said the bump would be removed and a surmountable curb will be put in.

COUNCIL MEMBER PEDERSON MOVED TO APPROVE THE BID FROM ADERSON BROTHERS IN THE AMOUNT OF \$6,020 TO REMOVE THE SPEEDBUMP AND PUT IN A SURMOUNTABLE CURB ON GRIFFIN CIRCLE. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 5-0.

Mayor Gardner asked when the project will be done and Nick Roy stated it will be done this summer since he has approval to move forward. A Griffin Circle resident stated garbage comes on Friday so it would be preferable if it can be done early in the week.

10. Administration

10.1. Administration Report

Mr. Spiczka said there are now internet points in the building now so hopefully it is working better. He reminded the Council that ARPA funds were approved for an electronic gate at the Public Works Facility and the installer should be here next week to do a final walkthrough. He said he submitted the grant for \$50,000 of impact funds to help move the Police Department downstairs and we should know in June or July if we will receive those funds. Mr. Spiczka said the apartment building's preliminary plat is going to the next Planning Commission meeting and stated the hardest part of the process is the deadlines for legal notifications that we are statutory obliged to follow. Discussion ensued about these timelines. Mr. Spiczka stated the final plat should be ready for the June Council meeting. Council consensus was to call a special meeting in these situations if needed. Discussion ensued about Trailside Estates and something starting this year.

10.2. Software Payment Processing Contract

Ange Duus reminded the Council that they approve \$35,000 of the ARPA funds be used for moving the financial software to the cloud. She stated with this move there is a different bill payment software that can be used. She stated the fees are similar to the current payment software and the new software seems easier to use.

COUNCIL MEMBER RONNING MOVED TO APPROVE THE CITY TO ENTER INTO A SERVICE AGREEMENT WITH GILA DBA MUNICIPAL SERVICES BUREAU (MSB) TO PROVIDE CREDIT/DEBIT AND E-CHECK PAYMENT PROCESSING SERVICES. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 5-0.

10.3 PRASD Contract

Mr. Spiczka stated Andy Schwartz goes to the PRASD facility four hours a week currently. He stated the contract expires at the end of this month and PRASD is asking for an extension of the contract because they do not have anyone licensed to run the plant yet. Discussion ensued about if Mr. Schwartz's license would be affected if anything were to go wrong there and Mr. Schwartz stated PRASD is liable as they are the owner.

COUNCIL MEMBER RONNING MOVED TO APPROVE THE ATTACHED PRASD CONTRACT'S SIX-MONTH EXTENSION. COUNCIL MEMBER SEILS SECONDED THE MOTION. MOTION CARRIED 5-0.

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 7:55 p.m.

Respectfully submitted,

Angie Duus
City Clerk/Treasurer

Tyler Gardner
Mayor