



**AGENDA ITEM # 3.1**

**REPORT TO CITY COUNCIL**

**Report Prepared by: Emily Johnson**

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**Date:** June 3, 2024

**Subject:** City Council Minutes

**Report:** The regular City Council Meeting minutes on May 6, 2024, and Special City Council Meeting minutes on May 21, 2024, are attached for your review.

**Council Action Requested:** Council motion approving the minutes for the May 6, 2024, regular City Council Meeting and the May 21, 2024, Special City Council Meeting.

**MEETING OF THE PEQUOT LAKES CITY COUNCIL  
MONDAY, MAY 6, 2024  
PEQUOT LAKES CITY HALL**

Members Present: Mayor Gardner, Council Members Ronning, Clement, Pederson, and Larson.

Members Absent: Junior Council Member Rothwell

Staff Present: Angie Duus, City Administrator (Remote); Emily Johnson, City Clerk/Treasurer (Remote); Traci Pederson, Zoning Administrator; Julie Meister, Administrative Assistant; Nick Roy, Public Works Supervisor; Andy Schwartz, Water/Wastewater Operations Manager; 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.

2. Consider Agenda

3. Consent Agenda

- 3.1. **CITY COUNCIL MINUTES**
- 3.2. **PAYMENT OF BILLS**
- 3.3. **FINANCIAL REPORT**
- 3.4. **LIBRARY REPORT**
- 3.5. **RESOLUTION ACCEPTING DONATIONS**
- 3.6. **BOARDS AND COMMISSIONS MINUTES**
- 3.7. **2024 FARM/SPRAY FIELD LEASE AGREEMENTS**
- 3.8. **TEMPORARY, SPECIAL EVENTS, AND GAMBLING PERMITS**

**COUNCIL MEMBER CLEMENT MOVES TO APPROVE THE CONSENT AGENDA, COUNCIL MEMBER LARSON SECONDED THE MOTION. MOTION CARRIES 5-0.**

4. Open Forum

Jeanne Haurum is present and states she has been taking a petition around to determine interest in affordable transportation options, especially for the elderly. Council Member Ronning asks if the petition is a list of people who all state they would use the service, to which Ms. Haurum says it is. She continues to explain the need for the transportation service. The consensus of the Council is to have city staff investigate options for public transportation and to provide information at a future date.

Ms. Haurum then brings to attention the issue of stray cats in town. She said that something needs to be done to minimize the strays.

5. Presentations

5.1 Paul Bunyan Scenic Byway

Lynn Scharenbroich presents on the Paul Bunyan Scenic Byway. The Paul Bunyan Scenic Byway is both a national and state scenic byway. Ms. Scharenbroich explains the upcoming plans for the scenic byway and the funding that has been received from the State. She references the three sites that are within the City of Pequot Lakes. Ms. Scharenbroich says they are working on a video project and asks that if anyone has a story to share, especially anything along the route, they would be happy to hear them. She says never in the history of scenic byways have two different byways merged to complete a project. That is something that we are doing now, by joining together with Lake Country Scenic Byway, to complete a fall scenic byway event. The event will have an App to enhance the experience and will include a scavenger hunt. At the end of that event they will host a Sunday or Dairy Queen treat. Overall it has been good news for the scenic byways. She asks for the City's support of the byway in whatever means they see fit and has included a membership flyer with different levels of sponsoring fees, etc.

Council Member Ronning asks what the best way to get the information out to the public is. Ms. Scharenbroich says she doesn't have a set answer on the best way to handle it. She says they try to get the word out in any way that they can. They do go around and talk to groups like this. Mayor Gardner recognizes how passionate Ms. Scharenbroich is about this project.

6. Planning & Zoning

6.1 Park Update

Kim Churack invites anyone that is interested to attend the next Park Board Meeting that will be held at Sibley Lake Park. Kieth Simar, who is one of the board members, is a retired DNR Forester. He has completed some studies of trees in the park to identify ways to keep our trees healthy and thriving. The Tree Study that was made possible with the DNR Grant, will begin on parks and city property. The study will focus on Ash Trees and Emerald Ash Borer because it has been recently discovered in areas of Brainerd.

She says the Bands in the Park are fully booked and everything is set for the summer season.

The color and design has been selected for the new community sign. The sign has been ordered. We should see the sign installed in the park hopefully sometime in August.

The plans for the Community Garden have been finalized. The plots will be 10x10 available on first come, first serve basis for a \$25 charge. Hopefully the gardens will be available by Memorial Day. Thanks to Nick Roy and the public works department for helping with this project. We are also thankful to have Whitney Mcgee's input, as she has done this before and has experience.

The two water cannons for the splash pad should arrive sometime around May 20<sup>th</sup>. The installation will take place shortly after and will hopefully be functional by Memorial Day.

Ms. Churack delivered 4x4 panels to the school to update some of the art in the park. Community Action donated to those panels.

6.1.A Bands in the Park Policy

Mayor Gardner addresses the proposed amendment to the Bands in the Park policy, eliminating the contingency of having a second location. We would need a motion to approve the change.

**COUNCIL MEMBER LARSON MOVES TO APPROVE THE AMENDED BANDS IN THE PARK POLICY. COUNCIL MEMBER RONNING SECONDED THE MOTION. MOTION CARRIES 5-0.**

6.1.B Community Garden

The proposed \$25 fee per plot in the Community Garden needs approval by the Council and we have attached the application for Council review. Council Member Pederson questions who the fees and questions will be directed to if there is an issue, or something comes up. Administrative Assistant Julie Meister states the calls would filter through her or the Admin Office and be handled accordingly. A discussion ensues regarding whether this is on a trial basis and whether the fees could be adjusted if there are more expenses incurred than expected. Some of the stipulations of the use of the Community Garden are brought to attention, noting they will not be able to use herbicides or pesticides and they would not be able to put up fencing, etc. It was also discussed of how the water would be ran over to the gardens. Mr. Roy states there will be a line run underground from the Dog Park to the Community Gardens.

**COUNCIL MEMBER CLEMENT MOVES TO APPROVE THE \$25 COMMUNITY GARDEN PLOT FEE AND HAVE THE WATER USE METERED. COUNCIL MEMBER LARSON SECONDED THE MOTION. MOTION CARRIES 5-0.**

6.1.C Commission Appointment

Mayor Gardner states the Park Board is requesting an exception for Whitney Magee to join the Park Board. He says we have done this in the past. She is an employee within Pequot Lakes but not a resident. She has contributed immensely to the Community Garden set up. Council Member Ronning comments though he appreciates the input from Ms. Magee, he is not sure it's a great idea to appoint someone from outside of the City. He is concerned at what type of precedence will be set by doing that. Council Member Larson agrees with Council Member Ronning. She also believes that it needs to be a resident within our city. She notes Ms. Magee definitely has the experience and she appreciates that but doesn't want to set a precedent in starting something. Discussion ensues regarding whether it is needed to address all boards and commission policies.

**COUNCIL MEMBER RONNING MOVES TO DENY THE APPOINTMENT OF WHITNEY MAGEE TO THE PARK BOARD DUE TO NOT BEING A RESIDENT OR LANDOWNER OF PEQUOT LAKES. COUNCIL MEMBER LARSON SECONDED THE MOTION. MOTION CARRIES 5-0.**

Mayor Gardner addresses Ms. Magee in the audience and thanks her for her application. Ms. Magee states she will still give the City her support.

6.2 EDC Update

A verbal update is provided by Matt Lottman. Mr. Lottman states they have decided to work with BLADEC on the development of a website. He says they believe that it is the most cost-effective option. Mr. Lottman asks the Council Members for their ideas for EDC goals to work on this month. He says it is better when they have an idea and direction from the Council on what they would like to prioritize. Mayor Gardner says personally he would like to see them moving forward with the website and marketing plan, as well as the billboard. But that seems like the one goal that is going to take a long time to complete.

Mr. Lottman asks if the Council could add some of the EDC goals to the agenda to keep everything on task. He believes that regular discussion of topics keeps things moving forward.

Mayor Gardner asks Mr. Lottman whether any discussions have been had regarding putting in City-owned ballfields. Mr. Lottman states they have discussed it in any way possible and the biggest issue is the liability that comes with it. Council Member Pederson notes that if we retain the land then we are not bringing further tax base. Mayor Gardner responded stating he understands that perspective, however, we also need to think about the amenities that will bring those people to our City. Mr. Lottman followed up saying the goal from last year was to break ground on three projects in the HOTGL development, so ultimately, they are starting back at ground zero, and they would like to keep moving forward. As that land gets developed it gets easier for everyone to make better decisions.

There is a consensus of the Council to add a sub-item to the Council agenda to include EDC Goals, per Mr. Lottman's request.

6.3 Planning & Zoning Commission Update

The Planning & Zoning Commission Report is provided for Council review.

6.3.A Zoning Administrator's Report

The Zoning Administrator's Report is provided for review. Council Member Ronning notes that there are sometimes several acronyms used in reports and suggests spelling out what some of those are in the chance not everyone knows what they mean. Mayor Gardner adds how nice it is to see the permits issued in

the report. He didn't think they had been included in the reports in the past and the information is helpful.

6.3.B Planning Commission Resignation

Mayor Gardner notes we have received a letter of resignation from Jenni Gonczy for the Planning Commission. He acknowledges her service to the board and thanks her for her commitment and time spent on the Planning Commission. The vacancy will be posted in the newspaper on Wednesday.

7. Fire

7.1 Fire District Report

There is not a Fire District report provided this month.

8. Police

8.1 Police Department Report

The Police Department Report is provided for Council review.

8.2 Police Officer Hiring Update

Chief Mike Davis says after interviewing one candidate, we have sent out a background packet. He says the background check takes approximately two weeks to complete.

Chief Davis says the position will remain open until filled, but the deadline to receive applications before moving to the backgrounding phase has passed. That said, they will still consider other applicants periodically until the position is filled. There has been one more application that was just turned in. It has not been reviewed yet.

8.3 Life Saver

Chief Davis speaks of a medical emergency that former Pequot Lakes Officer Hopps responded to in October involving a patient in cardiac arrest. Lifesaving efforts were successful, and Officer Hopps was given a Life Saver Award by North Memorial Ambulance. Officer Hopps is aware of the award but was unable to attend this Council Meeting. Chief Davis says he is hoping Officer Hopps will be able to attend next month so we can present him with the award.

9. Public Works

9.1 Public Works Report

The Public Works Report is provided for Council review.

9.2 NW Corner Proposed Development

Mayor Gardner notes this is an update of where things are currently. Ms. Duus says we are now waiting for the developer's response to what they want included in the agreement, and if they have further questions, or possibly want to arrange another meeting for discussion. The ball is currently in their court. Discussion ensues regarding this being the potential rezone area. Mayor Gardner says the Planning Commission must act on the request this month, as the deadline is approaching. This month's Planning Commission meeting will be held on the 20<sup>th</sup>.

9.3 DNR Cooperative Agreement Resolution

This agreement is for the drainage ditch behind the lumberyard. Mayor Gardner states for us to clean it up as was previously discussed we must enter into this DNR Cooperative Agreement. Council Member Larson asks how long this has been ongoing. It is said this has been a discussion for the past several years. Mayor Gardner adds this agreement permits us to continue to maintain and upkeep that area for the next 25 years. Mr. Houle says this goes back to part of the turnback funds from the State.

**COUNCIL MEMBER LARSON MOVES TO ADOPT THE RESOLUTION TO CONTINUE WITH THE DNR COOPERATIVE AGREEMENT. COUNCIL MEMBER CLEMENT SECONDED THE MOTION. MOTION CARRIES 5-0.**

9.4 Braun Change Order – Larsen Parkway

City Engineer Tim Houle says bituminous pavement testing was not included in the Larsen Parkway Project. He is now looking for a Council motion approving the change order to include the testing for the project.

**COUNCIL MEMBER RONNING MOVES TO APPROVE THE BRAUN CHANGE ORDER FROM \$13,723 TO \$15,571. COUNCIL MEMBER PEDERSON SECONDED THE MOTION. MOTION CARRIES 5-0.**

9.5 Braun Proposal – Firewatch Way

Mr. Houle says this is regarding a new city street, Firewatch Way. He says this is a developer-driven project and would be paid for with funds from the developer that have been paid into an escrow account with the City. Mr. Houle says when looking at testing requirements, this is one that we will want some good field testing as the contractors build this roadway, as it will eventually be turned over to the City. Mr. Houle says the testing for this project is \$9,194. Mayor Gardner asks if the developer is paying for it, would we still retain the ability to choose who completes the testing. Mr. Houle says this testing completed by Braun would be contracted through the City, which would have more checks and balances in place versus the contractor hiring a testing firm independently and we would then have to reach out to that company to get the results.

**COUNCIL MEMBER LARSON MOVES TO APPROVE THE BRAUN PROPOSAL FOR \$9,194. COUNCIL MEMBER CLEMENT SECONDED THE MOTION. MOTION CARRIES 5-0.**

9.6 Trailside Park Picnic Shelter

Mr. Houle states Public Works Supervisor Nick Roy has prepared a memo for the Council. Mr. Roy listed six items that are adjusting the original funding request. The original funding request was 50 percent city-paid and 50 percent grant funds. Mr. Houle says that will change some with different aspects and materials being used versus what was originally used in the grant proposal. The purpose of the adjustments is to try to balance aesthetics with long-term maintenance. The project includes updating the parking lot and adding a picnic shelter with bathrooms. The shelter side will face east toward the Veteran's Memorial and the bathrooms will face west toward the trail or Patriot Avenue.

Council Member Pederson questions whether we could add to the splash pad if it were to be brought up in the future. Mr. Houle says we can adjust the plan to accommodate a buffer, using the original plan for the splash pad, which was a larger diameter.

Mr. Houle says there are a couple of notable points we should address. First, the plan includes running a new water line to the shelter instead of using what is currently in the park, due to the lines being somewhat messy. Second, there were a couple different pre-fab renderings included in the application for the picnic shelter. There are incredible lead times on the pre-fab options so they are also considering a stick-built option. He says he would like to have a special meeting scheduled to bring the renderings and estimates of both the pre-fab and stick-built options to the Council for approval to keep the project moving forward. The Council agrees to hold a Special Council Meeting on May 21, 2024.

10. Administration

10.1 Administration Report

The Administration Report is attached for Council review.

10.2 Purchase Agreement – HOTGL Hotel

Monte appears to update the Council regarding the purchase agreement amendment request. He says they agree with everything in the purchase agreement, however, with the way commercial lending goes he would like to move the closing date from July to September 30<sup>th</sup>. He adds the lender is more than likely going to want to see the completion of the roadway beforehand and have everything organized and spaced out appropriately, at which time they will more than likely come back to the Council to ask for an extension of the closing date. Instead, he would like to request an extension now to prevent having to come back multiple times in the future to request the extension.



Discussion ensues regarding the extension of the closing date to September 30<sup>th</sup>. The consensus of the Council is to allow the extension of the closing date.

**COUNCIL MEMBER RONNING MOVES TO ADOPT RESOLUTION 24-16 TO APPROVE THE SALE OF CITY PROPERTY DESCRIBED AS LOT 1, BLOCK 1, HEART OF THE GOOD LIFE SECOND ADDITION, TO NORTHERN HOSPITALLY DEVELOPMENT GROUP PL LLC, FOR THE PURCHASE PRICE OF \$200,000 WITH A CLOSING DATE OF SEPTEMBER 30, 2024. COUNCIL MEMBER CLEMENT SECONDED THE MOTION. MOTION CARRIES 5-0.**

10.3 City Clerk-Treasurer Probationary Period

Mayor Gardner says our current Clerk-Treasurer, Emily Johnson, is meeting or exceeding the position performance expectations and has completed her six-month probationary period. A motion is needed, acknowledging Traci's successful completion of her probationary period and approval to advance her one step on the pay scale, to a Grade 12, Step 5.

**COUNCIL MEMBER LARSON MOVES TO ACKNOWLEDGE THE SUCCESSFUL COMPLETION OF TRACI'S SIX-MONTH PROBATIONARY PERIOD AND APPROVE THE ADVANCEMENT OF ONE STEP TO GRADE 12, STEP 5. COUNCIL MEMBER PEDERSON SECONDED THE MOTION. MOTION CARRIES 5-0.**

10.4 Zoning Administrator Probationary Period

Mayor Gardner says our current Zoning Administrator, Traci Pederson, is meeting or exceeding the position performance expectations and has completed her six-month probationary period. A motion is needed, acknowledging Emily's successful completion of her probationary period and approval to advance her one step on the pay scale, to a Grade 14, Step 4.

**COUNCIL MEMBER LARSON MOVES TO ACKNOWLEDGE THE SUCCESSFUL COMPLETION OF EMILY'S SIX-MONTH PROBATIONARY PERIOD AND APPROVE THE ADVANCEMENT OF ONE STEP TO GRADE 14, STEP 4. COUNCIL MEMBER CLEMENT SECONDED THE MOTION. MOTION CARRIES 5-0.**

Mayor Gardner adds that as much as performance evaluations seem to be standard business, both are doing great and to keep up the great work.

10.5 Trailside Estates Update

Ms. Duus says we received the purchase agreement that was updated by the City attorney at the end of the day today. It will now go back to the developer's attorney for review. We will add this to the special meeting on May 21<sup>st</sup> for approval.

11. Other Business

Council Member Pederson says after walking through the recently renovated police department he couldn't help but notice how dated the City Hall offices are. He would like staff to put together a cost proposal to match the administrative office to the police department updates.

It is brought to attention the lack of paint markings and delineators on Patriot Avenue. Mr. Roy says he is waiting on numbers for the paint, but they have delineators in the shop that will be going out. The council also requests to add addressing the speed limit on Patriot Avenue to the June meeting agenda. Discussion continues regarding using delineators and updated paint markings to improve that area.

12. Adjournment

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

The meeting of the City Council adjourned at 7:47 p.m.

Respectfully submitted,

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Emily Johnson  
City Clerk/Treasurer

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Tyler Gardner  
Mayor

**SPECIAL MEETING OF THE PEQUOT LAKES CITY COUNCIL  
TUESDAY, MAY 21, 2024  
PEQUOT LAKES CITY HALL**

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

Members Absent: Junior Council Member Rothwell

Staff Present: Angie Duus, City Administrator; Angie Duus, Emily Johnson, City Clerk/Treasurer, Traci Pederson, Zoning Administrator; Public Works Supervisor, Nick Roy; Water/Wastewater Manager, Andy Schwartz

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 leads the meeting with the Pledge of Allegiance.

Council Member Pederson wants to note that we had 122 second-grade students come through City Hall this past Thursday. He says they all know the Pledge of Allegiance and recited it very loudly and proudly while they were here.

2. Special Event – Pequot Lakes High School Graduate Parade

Mayor Gardner inquires whether this is the same set up as they have done in the past. Ms. Duus says it is the same thing and typically we would include this in the consent agenda at a regular meeting, but since we have a special meeting and the event is on Friday, we would include it here to review and approve.

**COUNCIL MEMBER PEDERSON MOVES TO APPROVE THE GRADUATE PARADE. COUNCIL MEMBER CLEMENT SECONDED THE MOTION. MOTION CARRIES 5-0.**

3. Public Transportation

County Commissioner Jon Lubke appears to update on the status of the previously established public transportation options that were available in the City of Pequot Lakes. He gives a brief explanation of where the funding comes from and states what was previously funded by the state has been diminishing. It was then put back to the county to fill the funding gap due to the state no longer providing enough money.

Commissioner Lubke says the City of Crosslake is experiencing a similar issue. They have put out a survey for their residents to fill out to determine the potential use for a transportation service. An example is provided in the agenda packet. After meeting with the people from Crosslake, it was apparent that this is not

feasible to take this on as a city alone. It would be too much of a burden on the levy to fund the program.

Mayor Gardner asks whether the program is still actively running. Commissioner Lubke says the program is running but it is difficult to get services to serve our small communities and rural areas.

Jeanne Haurum steps forward and states she has been in conversation with all of the surrounding areas and resources and has been told over and over that if the service is provided, they would have to go to a Catholic Church or grocery store in order to get picked up. She says some elderly people are not able to get to those locations either because they would then have to find a ride to get there.

Commissioner Lubke suggests something like a coalition with surrounding communities. He explains from a County Commissioner's perspective it doesn't make sense to say a bus service funded by the county will come to Pequot Lakes for no charge but then expect the remainder of the county to pay a fee.

Overall, this issue does not have a simple answer.

Ms. Haurum adds that we need to get the legalities of everything figured out so that we can move forward with funding options or even grants to help offset what some people are unable to cover for the transportation service.

Council Member Pederson brings to their attention that if the service is mainly for going to Brainerd or Baxter for groceries, that might not be necessary when we have groceries available here. Mayor Gardner adds that it may be easier to assemble a resource to transport our residents to the church or grocery store to enable them to utilize the current program.

Mayor Gardner is concerned that this would be yet another committee to research this project and we currently have quite a few committees for other projects already. Commissioner Lubke responds by stating some other communities choose to have a citizen committee to help take that burden and bring it back to the city after some research has been done. The consensus of the Council is to start by creating a survey to send out to our residents like the survey that Crosslake sent out and include a question asking if anyone is willing to donate their time to a committee and what someone is willing/able to pay for the service, both locally and further distance in the county.

4. Trailside Park Shelter

City Engineer Tim Houle is present to give an update regarding the Trailside Picnic Shelter. He states they have proposed a different type of bidding process through something called a Gordian Process. They have a book of construction components and what the going bid prices are currently at. There are several general contractors as part of the Gordian Process. Baratto Brothers has come forward to take the role of general contractor.

We have three different variations on the structure of the shelter. We will then communicate with Baratto Brothers to be put through the Gordian bidding process. Mr. Houle provides handouts with information and images of the proposed shelter. He explains what will be included in the project, such as a parking lot, bathrooms, curb, gutter, etc. Mr. Houle says the plan is to have a new water and sanitary sewer line connected to the bathrooms versus connecting to the existing lines in the park, as they are a bit difficult.

Discussion ensues on the preference between the three options and the timelines and costs associated with them. Mr. Houle states what was submitted in the DNR grant application is close to what is referenced here. The steel prefab may push the cost a little higher than what was submitted.

Mayor Gardner says he prefers the stick built. Council Members Ronning and Larson agree. Council Member Pederson is struggling with what the finished product is going to look like. Discussion ensues on the different options. Mr. Houle is looking to get a Council consensus on how to proceed tonight so that we can get something from the contractor and get more accurate numbers and renderings and keep the project moving forward because material lead times are quite lengthy. There is a Council consensus to move forward with the stick-built option.

5. NW Corner Proposed Development Update

Zoning Administrator Pederson states after the Planning Commission meeting last night they were updated on the intentions of the developer and leaving tree buffer. Mr. Ellering says the tree line between the property and the residential area will be a minimum of 50 ft. Discussion ensues regarding the potential rezoning. Council Member Larson says there are more guidelines in place for a Commercial Zone having buffer requirements than Forest Management. Mayor Gardner points out that Forest Management Zones can be harvested and clear-cut and only replaced with saplings that would take many years to grow. It is noted that specifics or further restrictions can be included in a developer's agreement. Mayor Gardner requests the Planning Commission research information on guidelines or restrictions that can be included in the developer's agreement before the June 3<sup>rd</sup> meeting.

Ms. Pederson states a recommendation was made by the Planning Commission last night that will be addressed at the June 3<sup>rd</sup> Council Meeting.

Mr. Houle comes forward to add to this conversation. He states the developer did reach out to their firm for a private assessment or quote. He seeks input from the Council if there is an issue with Widseth providing a private development team. Mayor Gardner thinks that it is more of an asset. The consensus of the Council is private development team would not cause a conflict for the City.

6. Trailside Estates Update

City Administrator Angie Duus states the buyer has made a counteroffer after the City Attorney drafted the agreement. The Committee is recommending the Council approve the purchase agreement as it was drafted by the City Attorney.

Kyle Narveson comes forward to update on the changes in the counteroffer. The way the agreement is written states if the twenty houses aren't built at the end of the timeframe the city would take back the property. He says that is the part that they are not okay with. He would like to see that they own the property outright and could sell the lots individually if they choose to. Mayor Gardner responds saying typically what has been done in the past is a buyback at the price they were sold. He says he can understand going more with a market value approach, but the intention of why it was drawn out that way was to fill the development. As a city, we want to see this neighborhood complete. Mr. Narveson explains the reason for the change. He says they fully intend to build all 20 houses, however, if they are several millions of dollars into the project and suddenly the market changes and the completed homes haven't sold, they would not be able to build the next one until they sell. Mr. Narveson says they have already contracted materials for 10 houses, so 10 houses would be guaranteed. But if for some reason the market changes, they believe it's fair to have the ability to recoup as much as they could if they ended up needing to sell them.

After discussion, the Council agrees to change the agreement to state completing 10 homes in 2 years. The survey would remain in agreement. The City would release stipulations of the lots after the 10<sup>th</sup> home is completed, and their obligation to the City will have then been fulfilled.

**COUNCIL MEMBER LARSON MOVES TO APPROVE THE CHANGES TO THE PURCHASE AGREEMENT. COUNCIL MEMBER CLEMENT SECONDED THE MOTION.**

**ROLL CALL VOTE: RONNING - AYE, CLEMENT - AYE, LARSON - AYE, PEDERSON – NAY, GARDNER – AYE**

**MOTION CARRIES 4-1.**

7. Request to Hire Police Officer

Chief Davis says they have completed one interview and have recently received another application. He says they are working on getting the background completed for Andrew Rooney, who was previously interviewed. Chief Davis says Andrew Rooney has 7.5 years of previous experience. He is requesting the Council's approval to extend an employment offer upon successful completion of the background investigation and physical and mental health evaluations.

**COUNCIL MEMBER RONNING MOVES TO APPROVE HIRING ANDREW ROONEY AS A FULL-TIME LICENSED PEACE OFFICER, AT STEP 3 OF THE LELS UNION CONTRACT, PENDING HIS SUCCESSFUL COMPLETION OF THE BACKGROUND CHECK AND EVALUATIONS. COUNCIL MEMBER LARSON SECONDED THE MOTION. MOTION CARRIES 5-0.**

8. Capital Improvement Plan

Ms. Duus says the CIP has not been updated for quite a while. She says the department heads recently met to discuss things that need to be added or updated on the CIP. Jason Murray will be attending the August Council Meeting to present his suggestions.

Mayor Gardner questions the 3 million dollars for Nelson Rd. Discussion ensues regarding how much of a priority this project is. Public Works Supervisor Nick Roy says even if we were to break this up into multiple steps or phases instead of all at once, it would be better than doing nothing. The Council consensus is to bring this project back to the discussion table with the previously completed study.

9. Planning Commission Appointment

Mayor Gardner says they have received an application for the vacancy on the Planning Commission and they need a motion to appoint Greg Seils. He says this is the only application that was received for the vacancy, and he believes Mr. Seils to be a good fit for the position.

**COUNCIL MEMBER CLEMENT MOVES TO APPROVE THE APPOINTMENT OF GREG SEILS TO THE PLANNING COMMISSION. COUNCIL MEMBER RONNING SECONDED THE MOTION. MOTION CARRIES 5-0.**

10. Adjournment

There being no further business,

**COUNCIL MEMBER LARSON MOVES TO ADJOURN. COUNCIL MEMBER PEDERSON SECONDED THE MOTION. MOTION CARRIES 5-0.**

The meeting of the City Council adjourned at 8:00 p.m.

Respectfully submitted,

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Emily Johnson  
City Clerk/Treasurer

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Tyler Gardner  
Mayor