



REQUEST FOR ACTION CITY COUNCIL

Agenda Date: 12/02/2024
Agenda Section: Consent Agenda

Department: Administration

Agenda Item: Approve City Council Minutes from November 4 and 14, 2024

Approval Required: Simple Majority Vote

BACKGROUND

The meeting minutes from the November 4 and 14, 2024, City Council Meeting have been prepared.

FINANCIAL IMPLICATIONS

STAFF RECOMMENDATIONS

Staff recommends the City Council approve the meeting minutes.

COUNCIL ACTION REQUESTED

Motion to approve the City Council Minutes from November 4 and 14, 2024.



CITY COUNCIL MEETING AGENDA
Monday, November 4, 2024, at 6:00 PM
City Hall, 4368 Main Street, Pequot Lakes, MN

CALL TO ORDER

Mayor Gardner called the meeting to order at 6:00 p.m.

MEMBERS PRESENT

Mayor Gardner, Council Members Ronning, Clement, Larson, Pederson, and Junior Council Member Zeisemer.

STAFF PRESENT

Angie Duus, City Administrator; Emily Johnson, City Clerk/Treasurer; Traci Pederson, Zoning Administrator; Nick Roy, Public Works Supervisor; Andy Schwartz, Water/Wastewater Operations Manager; Mike Davis, Police Chief

PLEDGE OF ALLEGIANCE

All joined Mayor Gardner in reciting the Pledge of Allegiance.

ADDITIONS OR CHANGES TO THE AGENDA

Mayor Gardner requests to add the NW Area Discussion to the agenda.

MOTION BY COUNCIL MEMBER RONNING, SECONDED BY COUNCIL MEMBER CLEMENT TO APPROVE THE AMENDED AGENDA. MOTION CARRIES 5-0.

CONSENT AGENDA – *Staff considers the following items non-controversial and recommends that they be read and passed in one motion. Any council member, staff, citizen, or meeting attendee can request one or more items be pulled from the Consent Agenda and the item will be pulled and addressed immediately after the passage of the Consent Agenda; otherwise, the following items will be passed in one motion: (Council Motion)*

1. Approve City Council Minutes from October 7, 2024
2. Approve the Payment of Bills and Finance Report
3. Approve the Library Report
4. Approve the Resolution Accepting Donations
5. Approve the Boards and Commissions Minutes
6. Approve the Minnesota Anti-heroin Task Force Program Joint Powers Agreement

MOTION BY COUNCIL MEMBER PEDERSON, SECONDED BY COUNCIL MEMBER LARSON, TO APPROVE THE CONSENT AGENDA. MOTION CARRIES 5-0.

OPEN FORUM – *Comments received from the public may be placed on a future meeting agenda for consideration.*

Joe Klatt, a resident of Breezy Point, and his wife are present for the Council meeting to discuss their plans as the owners of Snarky Loon in Jenkins. Mr. Klatt mentions that they are considering opening a second location and are interested in property within the City of Pequot Lakes. He expressed their desire



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to become more involved in the community through upcoming festivals and events, noting that Pequot Lakes has much to offer them. Ms. Johnson added that she had spoken with Mr. Klatt and confirmed that the City is not exceeding the number of liquor licenses available. Therefore, any additional requirements would depend on permits determined by planning and zoning regulations. Mayor Gardner agreed that this could be a good opportunity and encouraged Mr. Klatt to continue collaborating with City staff as they advance their business plans.

PRESENTATIONS

PARK COMMISSION

Report

Nancy Adams updates the Council on the Park Commission. She expressed gratitude to Pequot Lakes Community Action and two other generous donors for their monetary contributions towards the holiday light display. The Commission has ordered and received two new additions for Trailside Park and is looking forward to a holiday decorating day. Kim Churack and Public Works Supervisor Nick Roy have completed an inventory of the existing displays, and the Park Board recognizes the importance of adding new pieces to the collection each year.

Ms. Adams reported that plumbing has been installed for the new bathrooms and picnic shelter, and the new parking lot on the north end has been completed. She expressed satisfaction with the appearance of the developments and highlighted efforts to decorate the building to coordinate with the Chamber Building, ensuring consistency on both sides of the park.

Ms. Adams outlined the Park Commission's goals for 2025. The top priority is improvements to the Dog Park. She noted that cement has been poured under each of the benches and for the gazebo pad. The Commission plans to continue collaborating with Mr. Roy to reduce the costs associated with the gazebo, as they now have another critical project that will require substantial funding.

The fourth goal is to replace the Sibley Lake bathrooms. Ms. Adams stated that the demolition of the existing bathrooms has already been approved. She mentions that a self-sustaining vault toilet, similar to the one at the Fire Tower, would be ideal for this location and would cost approximately \$40,000.

The fifth goal focuses on landscaping near the band shelter. Ms. Adams reported that the area has been cleared for the season, and they plan to engage some master gardeners who may volunteer their time in the spring.

Additionally, Park Commission members Keith Simar and Ms. Adams will work on developing a plan for the tree grant funds and a tree management program. They aim to reduce planning costs by utilizing Mr. Simar's expertise as a retired DNR Forester, which will allow them to allocate more funding towards equipment, as one of the grants permits.

ECONOMIC DEVELOPMENT COMMISSION

Report

Mark Hallan is present to provide an update to the Council regarding the developments of the Economic Development Commission (EDC). Mr. Hallan reports that the EDC website went live in



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October. They have been collaborating with the County and other local organizations, including the city itself, and will continue to monitor input and questions that arise over the first three to four months.

Additionally, Mr. Hallan mentions that a special EDC meeting was held to discuss the cannabis ordinance and the approaching expiration of the moratorium. He notes that the general consensus is that the state has largely addressed these issues, and little action is needed from the city. The Planning and Zoning Department will establish an ordinance outlining what is permissible and where it can occur within the city.

PLANNING AND ZONING

Report

The Planning and Zoning report is attached for the Council's review.

New Business

1. Ordinance Amendments, Chapter 17

Zoning Administrator Traci Pederson presented changes to the ordinance concerning three different sections of the chapter.

Regarding signs in section 17-7.1, she noted that the updates mainly involve a clean-up of the language, incorporating a fresh perspective on various elements of the ordinance and code. She proposed removing the term "conditional use" from the application for a sign concept plan, which allows applications to be reviewed by the Planning Commission, thereby making the process more user-friendly.

In section 17-6.4, which pertains to the Extractive Use Overlay District, Pederson suggested replacing the term "Conditional Use Permit" with "Interim Use Permit" to be consistent with what our matrix says.

Ms. Pederson also pointed out that the City currently doesn't have anything for boundary line adjustments in its ordinances. This update is to clean it up and follow what Crow Wing County has in place.

MOTION BY COUNCIL MEMBER LARSON, SECONDED BY COUNCIL MEMBER PEDERSON TO APPROVE ORDINANCE AMENDMENT 24-05 TO CHAPTER 17; 17-7.1 SIGNS, 17-6.4 EXTRACTIVE USE OVERLAY DISTRICT, 17-8.5 EXTRACTIVE USES AND RESTORATION, 17-11.3 INTERIM USE PERMITS, AND 11.9 SUBDIVISIONS. MOTION CARRIES 5-0.

MOTION BY COUNCIL MEMBER CLEMENT, SECONDED BY COUNCIL MEMBER RONNING TO APPROVE SUMMARY PUBLICATION OF ORDINANCE AMENDMENT 24-05. MOTION CARRIES 5-0.

2. WAC/SAC Waiver Forms



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Ms. Pederson reported that the city has received three applications for the water and sewer fee waiver program. She noted that these are the first applications submitted since she began working for the city.

MOTION BY COUNCIL MEMBER RONNING, SECONDED BY COUNCIL MEMBER LARSON TO APPROVE THE WAC/SAC WAIVER FORMS FOR 3 NEW HOMES TO BE BUILT IN TRAILSIDE ESTATES. MOTION CARRIES 5-0.

Unfinished Business

1. Cannabis Moratorium, valid through 12/31/2024

Ms. Pederson notes that Council Member Larson will provide an update on the Cannabis Subcommittee. Council Member Larson mentions that after the subcommittee meeting, the consensus was to follow a system similar to liquor licensing. The members agreed on allowing up to two retail stores. The state will allow cities to require these locations to be at least 1,000 feet away from schools, daycares, and similar facilities. The subcommittee decided to use the term "separated" by a city street to define this distance. For areas surrounding schools, the wording "no adjacent property" will be used.

Council Member Pederson asks about the cost of the application for a license. Council Member Ronning asks if it's possible to have an ordinance in place by the end of December. Ms. Pederson emphasizes the need to prepare something in case the Office of Cannabis Management (OCM) informs them of a potential business in the area, in which case they would need to provide the ordinance within 30 days. She also notes that the state has created an ordinance template.

Mayor Gardner expresses that the licensing fee should not be set at something like \$50, and suggests instead a fee around \$1,000, as he believes that a higher fee would deter too many businesses from entering the market. He also recalls previous discussions about ensuring that cannabis businesses are not located in areas frequented by children.

The Council directs that this matter be brought back to the subcommittee. Andy Ellering says that there was considerable debate during the subcommittee meeting. He noted that the discussion is aligned with how tobacco and liquor licenses are handled. Currently, there are tobacco and liquor stores located within 500 feet of a park, and he believes it wouldn't be appropriate to impose more restrictions on one type of substance.

Council Member Larson and Mayor Gardner both want to see this issue treated the same way as liquor licensing. A discussion followed regarding whether they should follow the stricter state policy or consider loosening the regulations and rephrasing the guidelines. Council Member Ronning expressed a change in his stance, suggesting that they allow one establishment instead of two, and he also wants to explore the possibility of introducing a city tax on it.

They agreed to hold a special subcommittee meeting to discuss these matters further.



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2. Dotty Brothers Construction, Inc. – Extension

There are currently no further updates.

PUBLIC WORKS

Report

The Public Works Report is attached for the Council's review.

New Business

1. Petition to Pave North Sluetter Road

Mayor Gardner brings to attention a petition that was filed on October 28th, signed by several residents on N Sluetter Road. He noted that considerable effort had been put into this issue approximately five years ago. However, the challenge lies in the fact that the western half of the road is located in Loon Lake Township.

Council Member Pederson pointed out that the Council had previously approved converting the road into a "rustic road." However, when the design was proposed, it turned out to be classified as a rural residential road, which involved significantly higher costs. As a result, the discussion was effectively concluded at that time.

City Engineer Tim Houle emphasized that jurisdiction is a significant factor in this matter. Council Member Ronning added that there are no residential homes on the west side of the road. Chief Davis inquired about the maintenance schedule with Loon Lake Township. Nick Roy responded that discussions are ongoing with Loon Lake Township, and new agreements will be released next month as the current ones are set to expire.

There was further discussion regarding the lower costs associated with maintaining a rustic road. The residents from N Sluetter Road present at the meeting expressed their preference for a rustic road, stating that it is much better than a washed-out gravel road. Mr. Houle says the first step would be to accept the petition, contingent on reviewing the requirements of the state statute.

MOTION BY COUNCIL MEMBER CLEMENT, SECONDED BY COUNCIL MEMBER LARSON TO ACCEPT THE PETITION FOR N SLUETTER ROAD IMPROVEMENT CONTINGENT ON STAFF REVIEWING AGAINST STATE STATUTE. MOTION CARRIES 5-0.

CITY ENGINEER

Report

City Engineer Tim Houle presents his report, highlighting the increased activity in the City over the last couple of years. As this activity rises, he suggests reviewing the current standards and guidelines for development. He recommends holding one or two committee meetings involving the Planning and Zoning Department and other staff members to update these city standards. He uses the example of fire hydrants, emphasizing the importance of consistency—having ten



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identical fire hydrants rather than ten that are similar but different. A discussion follows regarding the potential for this review to lead to more complications versus benefits. Mr. Houle notes that the intent is not to make the process more complicated, rather, it is meant to see what efficiencies we might be able to provide with guidelines, standard details, and such. He believes we have reached a point where this review could be beneficial. The consensus of the Council is in favor of looking into ways to update current guidelines and standard details.

Unfinished Business

1. HOTGL Looping Study

There are currently no further updates.

a. Tax Forfeited Property Public Sale

The City was successful in the purchase of the tax-forfeited property.

2. Front and Main Street Design

Mr. Houle recaps previous meetings where the Council has approved a design for Front and Main Street. He says surveyors will be out along Front Street and Main Street looking for property corners, topographic information, and more. This is just a heads-up for the Council and staff in case they receive any phone calls.

3. Forcemain Project Easements

Mr. Houle provides a recap of last month's discussion about contacting property owners regarding the easement for the upcoming forcemain project. He mentions that he has one property owner in mind to whom he plans to send a letter and will provide a copy of that letter as an example for ongoing outreach to other property owners.

Originally, the use of the HOTGL was intended primarily for industrial purposes, which would place less demand on the water and sewer systems. However, there are now proposed projects that will exert a heavier load on these systems. As a result of increasing capacity needs, Mr. Houle stated that they are reconsidering the option to also connect the existing Industrial Park Lift Station to the forcemain. These adjustments will take some time, pushing the project timeline to 2025 or 2026 at the latest. He suggested sending a letter to the PFA to request that they remain on the list and to explain the current pause in progress.

MOTION BY COUNCIL MEMBER LARSON, SECONDED BY COUNCIL MEMBER RONNING TO SEND THE LETTER TO THE PFA. MOTION CARRIES 5-0.

4. Trailside Park Improvements and Pay Application

Mr. Houle mentions that the Baratto Brothers are continuing their work for as long as the weather allows. He was expecting them to submit a pay application in October, but they did not do so. Now, in November, they have submitted Pay Application Number 1, totaling



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\$245,238.85. Mr. Houle has reviewed the application and recommends that the Council approve the payment.

MOTION BY COUNCIL MEMBER CLEMENT, SECONDED BY COUNCIL MEMBER PEDERSON TO APPROVE BARATTO BROTHERS PAY APPLICATION 1, IN THE AMOUNT OF \$245,238.85. MOTION CARRIES 5-0.

5. NW Area Discussion

Chan is presenting a proposed change to the traffic direction after consulting with traffic study personnel. A discussion follows regarding a new truck route and the possibility of allowing other vehicles to enter and exit, as opposed to the current right-in/right-out scenario. This consideration is relevant due to the approximately 200-foot distance from the roundabout. Both entrances will provide full access; however, trucks will have only one designated exit route. The Council did advise them they will still need to go through the normal City processes for the approval, but at first thought they would be okay with it.

THE CONSENSUS OF THE COUNCIL IS TO AGREE WITH THE PROPOSED CHANGES PENDING THE COMPLETION OF THE STUDY AND WITH THE APPROVAL OF NECESSARY JURISDICTIONAL REPRESENTATIVES

POLICE DEPARTMENT

Report

The Police Department Report is attached for the Council's review.

New Business

1. Addressing the Issue of Nuisance and Stray Cats

Mayor Gardner says there has been a complaint regarding stray cats. Chief Davis pointed out that we currently do not have an ordinance for cats, as our regulations mainly focus on dogs. He also highlighted the costs involved in contracting with animal control or a shelter. According to state statute, if a cat is taken in, it must be held and housed for a minimum of five days to give the owner a chance to come forward. Mayor Gardner also discovered a forum with discussions among mayors from other cities that addressed various options. Discussion ensues regarding problem areas such as around Government Drive, behind the school near Swift and Ramsey, and Pine Street and West Sibley.

COUNCIL DIRECTION TO HAVE THE PLANNING COMMISSION AND STAFF DRAFT AN ORDINANCE FOR CATS

ADMINISTRATION

Report

The Administration Report is attached for the Council's review.

Unfinished Business



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1. HOTGL Hotel Amendment to Vacant Land Purchase Agreement

Mayor Gardner says Monty Jensen was hoping to attend this meeting but could not. He summarized the request to extend the purchase agreement due to issues with Minnesota Power and a delay in getting power extended to the property.

MOTION BY COUNCIL MEMBER PEDERSON, SECONDED BY COUNCIL MEMBER RONNING TO APPROVE THE EXTENSION OF THE PURCHASE AGREEMENT, MOVING THE CLOSING DATE TO ON OR BEFORE JUNE 1, 2025.

Discussion ensues regarding the importance of this project to keep moving forward and the challenges that have arisen, which are beyond anyone's control.

MOTION CARRIES 5-0.

2. CLDG Land IV, LLC Second Amendment to Vacant Land Purchase Agreement

There are currently no further updates.

3. Trailside Estates Update

The Trailside Estates property has been closed. Three permits have been issued for the first three homes to be built.

4. Budget Update

Ms. Johnson says we are still waiting for the final insurance numbers, which arrived this afternoon, to include in the budget. However, not much has changed since the preliminary submission, and the insurance numbers are not expected to have a significant impact.

Council Member Pederson commented on the HRA budget, noting some improvements that have been made. It now appears that their budget will decrease slightly.

COUNCIL REPORTS

1. Mayor

Mayor Gardner says there has been a proposal to creatively spruce up local businesses. He says there will be more to come on the topic next month.

2. Council Members

Council Member Pederson commends the EDC for their efforts in our City.

ANNOUNCEMENTS AND UPCOMING DATES

- | | |
|----------------------|---------------------------------------|
| 1. November 9, 2024 | CAPL Block Party / Deer Hunting Event |
| 2. November 11, 2024 | Veterans Day – City Offices Closed |
| 3. November 18, 2024 | Park Commission Meeting |
| 4. November 19, 2024 | EDC Meeting |



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- 5. November 25, 2024 Planning & Zoning Commission Meeting
- 6. November 28, 2024 Thanksgiving Holiday – City Offices Closed
- 7. November 29, 2024 Thanksgiving Holiday – City Offices Closed

ADJOURNMENT

MOTION BY COUNCIL MEMBER LARSON, SECONDED BY COUNCIL MEMBER CLEMENT TO ADJOURN THE MEETING OF THE CITY COUNCIL. MOTION CARRIES 5-0 AT 7:59 PM.

Respectfully submitted,

Emily Johnson
City Clerk/Treasurer

Tyler Gardner
Mayor

DRAFT



CITY COUNCIL MEETING AGENDA
Thursday, November 14, 2024, at 5:00 PM
City Hall, 4368 Main Street, Pequot Lakes, MN

CALL TO ORDER

Mayor Gardner called the meeting to order at 5:00 p.m.

MEMBERS PRESENT

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

STAFF PRESENT

Emily Johnson, City Clerk/Treasurer

ADMINISTRATION

New Business

1. Canvass Election Results

Mayor Gardner stated that the Council needs to review the information and make a motion to adopt Resolution 24-36, which canvasses the results of the General Municipal Election held on November 5, 2024. All Council Members have received a copy of the results for review.

MOTION BY COUNCIL MEMBER RONNING, SECONDED BY COUNCIL MEMBER LARSON TO ADOPT RESOLUTION 24-36 CANVASSING NOVEMBER 5, 2024, GENERAL MUNICIPAL ELECTION RESULTS. MOTION CARRIES 5-0.

ADJOURNMENT

MOTION BY COUNCIL MEMBER LARSON, SECONDED BY COUNCIL MEMBER CLEMENT TO ADJOURN THE MEETING OF THE CITY COUNCIL. MOTION CARRIES 5-0 AT 5:01 PM.

Respectfully submitted,

Emily Johnson
City Clerk/Treasurer

Tyler Gardner
Mayor