



# MINUTES

## Regular Morning Meeting

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10:00 AM - Thursday, April 18, 2024  
City Hall Council Chambers

The City of Pine City Council met in Regular Morning Meeting on Thursday, April 18, 2024 at 10:00 AM in the City Hall Council Chambers.

### **CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

Meeting was called to order by Acting Mayor Gina Pettie at 10:00am.

### **ROLL CALL**

Acting Mayor Pettie, Councilors Palmar, Hill, and Sloan were all present.

### **CONSIDERATION AND APPROVAL OF AGENDA**

Motion made by Councilor Sloan to add a last-minute Liquor License application for Keziah's Kitchen under consent items, as well as move 9.1 to after the Sheriff's Update. Second by Hill. Motion carried.

### **PUBLIC FORUM**

This is an opportunity for citizens to present items to the Council that are not on the agenda. Each presentation is limited to three (3) minutes and a maximum of fifteen minutes is set aside. If your item needs follow-up from the City, Staff will arrange for that.

Jim Sloan - 325 Chadwood Lane SW - Sloan passed out an information handout addressing sidewalks in the community. Sloan is the Chair of the CAP committee. CAP was created to develop a vision for Pine City. He asked that the Council add sidewalks to the 10th Street project.

### **PUBLIC HEARINGS/PRESENTATIONS/CORRESPONDENCE**

#### **a) NORTHLAND REFRIGERATION INCORPORATED REPRESENTATIVE - BOILER UPDATE**

Ty with Northland Refrigeration Incorporated stated when he came in the boiler wasn't working and there was no heat due to the boiler not firing. They found many leaks that needed to be fixed and more that aren't fixed currently. Ty stated that the boiler is from 1939 and would more than likely need a welder soon to repair the boiler, as there is a leak on the bottom of the vessel. They did repairs on 22 steam traps and there are more that will be needing repair. He stated the boiler is operable but not optimal, as within a few years there are going to be more leaks and the mud legs will

need to be replaced at the cost of roughly \$20,000-\$30,000. However, this price is a rough estimate, and he can provide a more accurate quote. Council asked about new boiler cost and Ty stated roughly a couple hundred thousand dollars, as long as it's a steam boiler. A water boiler is roughly a couple million dollars and water is most efficient.

## **SHERRIF UPDATE**

### **a) SHERIFF UPDATE**

A deputy from the Sheriff's department wasn't available to attend.

## **CONSENT ITEMS**

Motion to approve consent items made by Acting Mayor Pettie. Second by Councilor Hill. Motion carried.

- a) MARCH 28, 2024 MEETING MINUTES**
- b) APRIL 3, 2024 MEETING MINUTES**
- c) CHECK DETAIL REPORT**
- d) ANNUAL AL FRESCO RENEWAL APPLICATION - PIZZA PUB**
- e) PRIDE IN THE PARK SPECIAL EVENT PERMIT**
- f) TEMPORARY LIQUOR LICENSE APPLICATION - PINE CENTER FOR THE ARTS**
- g) MOBILE FOOD UNIT LICENSE APPLICATION - TIKI TIMS LLC**
- h) ADDITION - LIQUOR LICENSE APPLICATION FOR KEZIAH'S KITCHEN**

## **OLD BUSINESS**

### **a) DECLARING A MAYOR VACANCY ON THE CITY COUNCIL**

Council is working to declare the mayor seat vacant. Palmer asked how Pettie would proceed with filling the seat after declaring the seat vacant. He questioned if it would be by appointment or by vote. Palmer is concerned and hesitant to approve until he knows what direction other council members will be going. Pettie stated she wants to fulfill her current term as a council member and is considering appointing a past council member. Pettie stated that by appointing a previous council member, they would be able to hit the ground running. Sloan stated that she will not be running in the fall. Pettie stated that running with four council members can get them in some sticky situations. Palmer and Hill stated that if they were going to appoint a past council member than how the past member went out should be looked at. Pettie stated that when the council member vacancy came to, two past council members put their applications in. Pettie stated that she really liked the turnout of people that turned applications in. That was really nice to see.

Palmer asked again how Council would like to fill the vacancy whether by appointment or by vote. Hill stated he is ok with running with four Council Members until November, as Council can talk things out and have great staff behind them. He also would like to have a process in place before accepting the vacancy. Palmer would like the audio pulled from January's meeting when Pettie was appointed as

Acting Mayor, should something happen to current Mayor. Motion made by Sloan to accept the resolution of vacancy. Motion seconded by Pettie. Both Palmer and Hill voted nay. Motion not carried.

**b) LRIP APPLICATION FOR 4TH STREET SE**

Greg Anderson with SEH informed the Council that they did not get the funding. He was informed they would hold the City's application in case more funding came in. Anderson stated that these funds usually come around every 18-24 months.

**c) SIDEWALK DISCUSSION ON THE 10TH STREET SW PROJECT**

Greg Anderson with SEH informed the Council that the road from 2nd Ave SW to the North on 9th Street SW is buckling. He would like to see this fixed with the 10th Street SW project. The estimated cost is \$35,000. Public Works Supervisor Maury Montbriand stated the City could use some of the funds from the Mill & Overlay budget. Anderson stated he would need a final answer at the next council meeting or second council meeting in May, at the latest.

Sloan stated that the Comprehensive Plan talks about the sidewalks in City limits and 10th Street SW is mentioned in it. 10 Street SW is used a lot for walking. Montbriand stated that the City would need to hire more employees and buy more equipment if they are considering having the City shovel all newly added sidewalks everywhere in town. Sloan proposed that the City shovels and maintains all newly added sidewalks. Council asked Anderson to come back with options for potentially adding sidewalks to the 10 Street SW project. Hill mentioned lowering the speed limit to 20 miles per hour. Palmer mentioned to take this to Public Works Committee and get a plan in place.

**d) LADDER TRUCK FOR PINE CITY FIRE DEPARTMENT**

Fire Chief Tom Miller informed the Council that he found a used ladder truck in Savage, Minnesota for \$130,000. He stated that the talk at the Visioning Session was to move some finances around and potentially have partial financing through ECE. The application for ECE has been finalized and can take up to 30 days to know. Miller stated that the budget numbers don't include the selling of the tanker and pumper and could possibly use those funds once they are sold. Savage is ready for final inspection and training on the truck and will need payment. Council would like a detailed report of where the funds came from. Motion to approve the purchase and not exceed \$130,000 for the ladder truck by Hill. Second by Palmer. Motion carried.

**NEW BUSINESS**

**a) LAKESIDE CENTER LLC TAX ABATEMENT REQUEST**

Jason Aarsvold from Ehlers presented that Lakeside Center applied for a tax abatement in the early stages of their planning to come to Pine City. He has been working with the developer, County Staff, and City Staff to get this completed. The developer didn't qualify for a TIF. Aarsvold presented a non-binding term sheet for a 15-year tax abatement with a look back clause of every five (5) years. If the Council approves the term sheet, he will start the formal abatement agreement and processes, then to public hearing. Economic Development Coordinator Lezlie Sauter was present and spoke about the process of the start of the abatement. She stated that the city will still receive their tax amount, but anything above the current tax amount would go back to the developer. Ehlers will do an automatic look back to verify that the developer still passes the test. Motion to approve the Lakeside Center

Tax Abatement Term Sheet by Sloan. Second by Hill. Motion carried.

**b) VOYAGEUR BOTTLE SHOP - THC/CANNABIS USAGE POLICY**

Liquor Store Manager Lara Smetana presented to Council that with the sales of THC/CBD in store, she would like the policy added to staff policy. Sloan made a motion to approve adding the policy to Liquor Store Policy, as well as being added to the City Employee Policy. Second by Palmer. Motion carried.

**c) SECURITY AGREEMENT**

Interim City Administrator Marcy Peterson asked Council if the 30 day written notice can be written and sent to our current security company as that is what the agreement states is needed. Hill stated he would like the agreement reviewed that if the services they stated the City would get and haven't voids the agreement. Montbriand stated that there is unfinished work at the public works building. Sloan stated that she would like the City attorney involved to set a stage for legal help. Motion to approve sending the letter with City attorney involvement by Hill, second by Palmer. Motion carried.

**d) BEACH WAGE PROPOSAL - APPROVED BY PARKS AND REC COMMITTEE**

Smetana presented beach wage proposal to Council. She stated that the city use to be the best paying place to work for our lifeguards. She stated that lifeguards and WSI employees carry a lot of responsibility and always need to be emergency ready and responsible. Per the State of Minnesota, any facility that has a beach or pool needs to have an adult 18 years of age or older in charge. She is recommending raising the lifeguards and WSI employee wages and forego the \$0.25 pay raise for 2024. Motion to approve the wage increase by Sloan. Second by Hill. Sloan stated she would like to see the numbers and pay from surrounding communities. Motion carried.

**PLANNING / COMMUNITY DEVELOPMENT**

**a) COMPREHENSIVE PLAN**

**FINANCIAL REPORT**

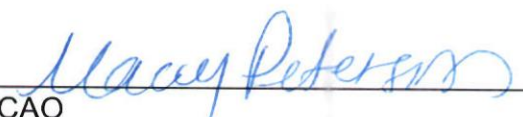
**a)**  
YTD Revenue-Expense Report

**COUNCIL CONCERNS**

Council stated they liked that the Department Head meetings were being brought back.

**ADJOURN**

Palmer made the motion to adjourn at 11:35am. Second by Hill. Motion carried.

  
CAO

*Gina Pettie*

Mayor

Meeting Minutes Completed By: Tabitha Pickett, Administrative Assistant