



MINUTES

Regular Morning Meeting

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

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

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Bombard called to order at 10am

ROLL CALL

Mayor Kent Bombard, Councilors Hill, Sloan, Pettie and Palmer present.
City Staff present: City Administrator Peterson, Nicole Tricker, Adam Zemek, Lara Smetana, Brock Bloomquist, Maury Montbriand, Melanie Bloomquist.

CONSIDERATION AND APPROVAL OF AGENDA

Councilor Pettie made a motion to approve the agenda. Councilor Palmer seconded the motion. Motion carried unanimously.

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.

a) CARL PEDERSON - 915 SPRUCE CIRCLE SW

He is inquiring about the Water Service Charge and would like to know if the figure has been determined. He request's that this information be published in the newspaper once the final number is determined. He then asked Lisa about the number of water connections in the city. She estimated there are approximately 1,300. He notes that this figure was requested during his tenure as mayor and has yet to receive an answer.

He also inquired about the city's cash balance due to the street project that was not bonded. City Administrator Peterson indicated that the audit is forthcoming, and we will soon have the figures.

He also provided an update on the Welia campus remodel, as he is a member of the Welia board.

He was informed by Councilor Palmer that he had surpassed his allotted three minutes, yet he refused to yield. Subsequently, he informed the Council that he had reached out to the OSA concerning the newly appointed Mayor's suspected improper appointment. Nevertheless, the OSA notified him that no action could be taken.

b) VERLYS STOFFEL - 1652 HILLSIDE AVE SW

Although she does not reside within the City of Pine City, her home adjoins a property that lies within the city's boundaries. This neighboring property is facing issues with beavers, leading to flooding and a rise in pest populations.

PUBLIC HEARINGS / PRESENTATIONS / CORRESPONDENCE

a) MORE THAN SPROUTS REQUEST FOR CERTIFICATE OF OCCUPANCY

City Administrator Peterson provided an update to the council on the matter. Heidi Carlson, the owner of More Than Sprouts, is seeking assistance from the City to obtain a change of occupancy for her store. She indicate that the previous certificate of occupancy had been for Mercantile, which matches her store's classification. However, she has encountered resistance from Rum River, who insist on a change of occupancy before proceeding. Heidi is requesting that the City Council grant this change without the inspector's approval.

Sean Tschirhart expressed frustration believing he received conflicting information from City Staff and Inspectors. He is upset that the City Staff seemed to be obstructing the change of occupancy. He argues that the business owner is responsible for safety, not the City, and urges the City to collaborate in securing the change of occupancy. Since the building is pre-existing, he does not see the necessity to bring it up to current code and believes that providing drawings should not be a requirement for the change of occupancy.

Adam Zemek, Fire & Life Safety Inspector, stated that the egress would not have been approved for safety reasons. He asserted that if the city issues a certificate of occupancy without the official drawings, it could make the city liable for future safety concerns. He also mentioned that the city cannot alter the fire code. The State codes are the minimum requirements.

Andy Schreder, the Building Official and owner of Rum River, asserted that Rum River is not opposed to the community and aims to collaborate with businesses to ensure their safety. He clarified the distinction between business and mercantile occupancy codes. With over 20 years of experience as a building official, he is obligated to adhere to state statutes due to his state licensing. He has offered assistance but is unable to provide design services. He noted that a Change of Occupancy entails a change in safety requirements, necessitating plans for safe ingress and egress. He emphasizes that these regulations exist for valid reasons. City Administrator Peterson reported that the City had offered financial assistance through the store owner through the EDA. However, Mr. Tschirhart refused the offer, and he contends that Rum River is overreaching and lacks the authority to enforce this. He cites the building code, stating that an architectural drawing is not mandated by state statute. Conversely, Andy asserts that such a drawing is indeed a requirement under the amended state law.

Councilor Palmer inquired whether Andy would endorse the action if the Council proceeded. Andy declined, advising consultation with state building officials and the state fire marshal instead.

A community member queried the specific requirements imposed by the City for a change of occupancy.

Andy clarified that state law stipulates an architect must produce drawings detailing the changes to obtain this certificate. He noted that the fees are imposed to prevent

city residents from subsidizing private enterprises.

Lezlie Sauter, speaking as a local business owner, mentioned that she hired an architect to obtain a change of occupancy for Cabina Coffee. She found the architectural drawings useful for various purposes. She noted that the drawings cost approximately \$5000 and took about one month to complete.

Community member inquired whether completing the architectural drawings would necessitate further changes or if the inspection process would proceed smoothly thereafter.

Denise Schneider expressed a desire to hear the Fire Chief's written statement. City Administrator Peterson read a memo to the Council and Community authored by Fire Chief Tom Miller.

Councilor Pettie emphasized the importance of collaboration to ensure success.

Councilor Hill questioned when More than Sprouts last sought funding from the EDA. Heidi Carlson, owner of Sprouts, replied it was in 2017 and she was denied three times. Councilor Hill recommended consulting with Sauter about potential assistance from the City.

Councilor Palmer advocated for progress and suggested revisiting the matter in council after exploring funding opportunities with the EDA.

CONSENT ITEMS

- a) **COUNCILOR HILL MADE A MOTION TO APPROVE. COUNCILOR PALMER SECOND. MOTION CARRIED.**

OLD BUSINESS

- a) **8TH STREET & GOLF AVENUE STREET PROJECT**

Greg Anderson (SEH Inc.) - The project is complete, and the assessments are higher due to the large lot sizes of several properties. The goal is to finalize the assessments for certification to the County before the 2025 tax deadline. August 7th is the absolute final date. The Council has the option to choose between two presented assessment amounts. Councilor Palmer has indicated that the policy change is on hold. Councilor Hill has requested that City Staff research assessment policies from other cities. Councilor Hill notes the necessity to reduce assessments, as the streets are utilized by more than just the residents. Councilor Palmer has pointed out that the City's assessments are precisely aligned with the bonding requirements.

Councilor Sloan made a motion to approve the special benefit assessment **Resolution 20240718-32**, Councilor Hill seconded the motion, motion carried with the following votes.

Mayor Bombard, Councilor Sloan, Pettie and Palmer voting yes. Councilor Hill voting no. Motion Carried.

Councilor Palmer has requested that the assessment policy be revisited by the ordinance committee before being presented to the Council. Greg suggests reducing the assessment amount in light of escalating construction costs. He notes that if a project is bonded, the assessment should constitute 20% of the project's total cost. Additionally, Councilor Sloan has asked Greg to compile assessment policies from other cities he is affiliated with.

- b) **PINE CITY DISCOVERY GARDEN**

Peterson presented the Rules & Regulations to the Council. Council requested that these be compiled into one document and brought back to the Council on August 7th. Councilor Sloan made a motion to table agreement. Councilor Palmer seconded the motion. Motion carried unanimously.

c) 315 MAIN STREET S. BUILDING

City Administrator Peterson discussed the termination of the contract with Nexus, outlining two options: 1) Pay \$1,699 to adhere to the previously signed contract until October 6, 2026, which would limit actions to only maintenance on the building, or 2) Terminate the contract immediately at a cost of \$15,066.55.

Councilor Palmer requested additional discussion, seeking clarification on the source of funds for this fee. Councilor Hill disagrees with the payment of this sum, arguing that two years is an insufficient duration and expressed preference to proceed with option one. Councilor Hill suspects that there has been a significant fabrication of information during this process.

Councilor Sloan proposed the approval of option 2, which Councilor Pettie seconded. However, the motion did not pass as Mayor Bombard and Councilors Hill and Palmer voted against it.

Councilor Palmer expressed that due to the building's age and ongoing boiler issues, he is interested in issuing an RFP to explore potential interest in the building.

Councilor Sloan prefers to allow Lezlie Sauter to form her work group and proceed accordingly.

Councilor Hill proposed a motion to adopt option 1, which Councilor Palmer seconded, motion carried.

d) DEPARTMENT OF PUBLIC SAFETY LEASE

City Administrator Peterson presented the revised lease agreement to the Council. It was observed that several amendments were necessary before the contract could be signed.

Councilor Palmer proposed to defer the agreement until the modifications are made, which Councilor Sloan seconded, motion carried unanimously.

e) AFP #3 - 10TH STREET SW

Greg Anderson (SEH Inc.) - Updated Council on project stating the project will be completed about one month early. Plan to start paving next week.

Palmer made a motion to approve AFP #3. Hill seconded the motion to approve. Motion carried.

NEW BUSINESS

a) RICK & KATHY HERZOG - SCDP GRANT FORGIVENESS

Lezlie Sauter addressed the council. Herzog's business Pizza Pub was sold a few years back, and now the building is also being transferred to the new owner. Upgrades to the building's exterior were completed with SCDP grant, which did not enhance the property's value. A request for loan forgiveness has been made. Councilor Hill motioned to approve SCDP Grant forgiveness. Councilor Sloan seconded the motion. Motion carried unanimously.

b) 3RD AVE SE LAKE ACCESS

City Administrator Peterson presented a memo written by City Staff concerning the 3rd Ave SE Lake Access. Councilor Palmer requested that it be revisited at the August 7th meeting with all relevant parties present. Councilor Pettie noted that the Parks Committee had no recommendation to offer. Councilor Sloan expressed a desire to revisit the matter once the CAP is prepared. Additionally, Councilor Palmer requested that the issue be included in the Old Business section of future meetings.

c) NOISE BARRIER PROGRAM - BETWEEN I35 AND 14TH STREET SW

City Administrator Peterson briefed the Council on the latest developments, noting that Planning has given its approval. She mentioned that applications must be submitted by October and that once the application process has been initiated it could take 2-3 years before progress is made. Additionally, Councilor Sloan has requested that this be incorporated into the assessment policy.

Councilor Palmer made a motion to approve starting the application process. Councilor Hill seconded the motion. Motion carried unanimously.

d) PERSONNEL COMMITTEE & COMMITTEE APPOINTMENTS

City Administrator Peterson proposed the formation of a personnel committee which would include the Mayor and a Council member. Councilor Palmer advocated for the chosen individual to have at least two years left in their term.

e) COMMITTEE APPOINTMENTS

City Administrator Peterson presented the current Councilor appointments and stated that with the addition of Mayor Kent Bombard, these appointments will require updating. Councilor Hill recommended that Peterson reach out to all Council members to gauge their interest in serving on various committees.

FINANCIAL REPORT

The Council has no concerns regarding the financial report.

COUNCIL CONCERNS

a) PINE COUNTY NORTHERN LIGHTS LIONS - TREE BANK - MAYOR KENT BOMBARD

Mayor Bombard made a presentation. Councilor Hill suggested a Memorandum of Agreement (MOA) between the City and the Lions Club.

b) SCHEDULE VISIONING SESSION/CANIDATE CITY TOUR - COUNCILOR DAVE HILL

Councilor Hill would like to organize a City Tour/Visioning Session for Council candidates after the filing is complete. He prefers the city tour to take place on a Friday morning and suggests that the city arrange a bus for the tour. Councilor Palmer agrees that this is an excellent idea and would like the staff to conduct brief presentations during the tour. Not scheduled at this time.

c) SIDEWALK REPAIRS - COUNCILOR DAVE HILL

Councilor Hill stated that numerous sidewalks across town require repairs. Councilor Palmer has mentioned that Lisa will be reviewing the sidewalk policy and plans to report back to the Public Works Committee with recommendations. He also noted that certain sidewalks need routine maintenance which residents are neglecting. Councilor

Hill inquired whether an additional staff member should be employed to clear sidewalks in winter to ensure safety. It was suggested that this matter should also be referred to the Public Works Committee. Maury has asked to postpone this discussion until the next committee meeting so he can be present.

MAYOR'S REPORT

Mayor Bombard would like to begin broadcasting meetings on YouTube and have discussion included in the agenda for the August 7th meeting.

PUBLIC COMMENT

Rick Herzog - Former Owner of Pizza Pub, commented on the City's Building Inspector, mentioning that he personally encountered issues with a previous project during his ownership of Pizza Pub. He noted the Building Inspector's lack of compassion for business owners and Herzog requested that the City consider compromises.


ADJOURN

Councilor Sloan made a motion to adjourn meeting. Councilor Hill seconded the motion. Motion carried unanimously.

Meeting adjourned at 12:23 PM



CAO



Mayor

Minutes Completed by: Melanie Bloomquist