



Regular City Council Meeting Minutes

April 7, 2021 at 6:30pm

Remote Meeting

315 Main Street South

Link: <https://meetings.ringcentral.com/j/1481911129>

Meeting ID: 148 191 1129

In attendance – Mayor Carl Pederson, Councilor Mary Kay Sloan, Councilor Steve Ovick, Councilor Gina Pettie and Councilor Kyle Palmer.

Staff in attendance – Interim City Administrator Lezlie Sauter, Park and Recreation Director Stacy O'Rourke, Liquor Operations Manager Lara Smetana, Fire Chief Tom Miller, Safety Inspector Andy Luedtke, Interim Treasurer Catherine Demes Maydew, Administrative Assistant Carissa Kranz, Public Works Supervisor Maury Montbriand, SEH City Engineer Greg Anderson and Zach Schmitz, MSA City Planning Consultants Kate Eynck and Lucas Jones, and Building Official Andy Schreder Rum River Construction Consultants.

Others in attendance – HRA member Aaron Duffee, Planning Commissioner Kent Bombard, HRA member Becky Schueller, Executive Director of the Pine City HRA Deb Robelia, Possible Mill Site Developers Larry Gensmer and Cole Newman and Resident Marv Peterson, Resident Mark Nisley, HRA member Rita Watson, Starwire Technologies, LLC representative Robert Tachney, Hennek Business Holdings representative Steve Hennek, WCMP News Joe Keyport, Planning Commissioner Loren Skluzacek and Pine County Deputy Blake Richert

Call to Order – Mayor Pederson called the meeting to order at 6:33pm.

Pledge of Allegiance -The Pledge of Allegiance was respectfully forgone due to remote meeting limitations

Proposed Additions or Deletions to Agenda – Request from Councilor Sloan to add a Discussion on the Assessment Policy before the public hearings, Mayor Pederson would like to move up the Street Utility Project Planning Proposals from Public Works item 10.c.i to after the Fawn Meadows/Tech Park Expansion Joint Discussion and to add the Cooperative Agreement with MN DNR under Fire Department item 9.f.iv. *Motion by Pettie, second by Sloan to approve the agenda with the addition of the Assessment Policy Discussion, moving the Street Utility Project Planning Proposals up from Public Works and adding the Cooperative Agreement with the MN DNR under the Fire Department. On a roll-call vote, Pettie, Palmer, Ovick, Sloan and Pederson all voted in favor and none against. Motion carried.*

Consent Items: The following consent items were submitted:

Approval of Meeting Minutes - February 25, 2021, March 3, 2021 & March 25, 2021

Approval of March 2021 expenditures

Approval of March 2021 accounts payable

Approval of March 2021 fines report

Approval of Claims over \$10,000 - SEH General Engineering (2021 Street Project Feasibility Report and LRIP

Grant application for 4th St SE project charges) total of \$20,358.25 Invoice #402009.

Motion made by Ovick, second by Sloan to approve Consent Items. On a roll-call vote, Pettie, Palmer, Ovick, Sloan and Pederson all voted in favor and none against. Motion carried.

Open Forum – Nothing was brought forth.

Sheriff's Report - Deputy Blake Richert was present and gave an overview on the past month, noted people are out and about more, cases from previous months are getting buttoned up and nothing really pressing to report. Deputy Blake has been with Pine County patrolling within the City of Pine City for 6 months.

Addition - Assessment Policy Discussion - A lengthy discussion was had on the possibility of changing or not following the current assessment policy for the proposed 2021 Street Improvement Project. Direction from Council to bring the Assessment Policy to the Ordinance Review Committee and Public Works Committee as a joint project and make revisions to bring back to the Council at a later date. City Engineer Anderson will provide staff with example policies from other communities as well.

Public Hearing - Improvement Hearing for the 2021 Street Project was opened by Mayor Pederson at 7:06pm. City Engineer Anderson gave an overview of the potential 2021 Street Project and explained what SEH had presented previously in the Feasibility Report has now been condensed to roughly 2 blocks around the Hilltop Recreation Area (portions of Golf Ave SW and 8th St SW) and a section of 7th St SW where the sewer pipe is lifting. Anderson also gave an update on the LRIP Grant application that was applied for to reconstruct Johnson Ave SE to 4th St SE and 4th St SE all the way to the Fire Hall, if awarded construction wouldn't be until 2022-2023. Anderson also went over the proposed timeline and noted that if assessments are done that the hearings would happen in October of 2022. Discussion was opened to the public; Marv Pederson was present and stated that his questions were covered during the discussion and presentation and noted he would like to see the assessment policy changes proceed quickly before this project is assessed. The hearing was closed by Mayor Pederson at 7:22pm. The Council is to review EHLERS bond scenarios document and digest the information.

Resolution #21-22, Ordering Improvements and Preparation of Plans for 2021 Street Improvements. *Motion made by Ovick to approve Resolution #21-22, Ordering Improvements and Preparations of Plans 2021 Street Improvements, seconded by Pederson. On a roll-call vote, Pettie, Palmer, Ovick, Sloan and Pederson all voted in favor and none against. Motion carried.*

Public Hearing - Hearing for Ordinance #21-02, Amendment to Ordinance #21-01, 2021 Fee Schedule to include Conduit Bond Application fees was opened by Mayor Pederson at 7:25pm. Nothing was brought forward and the hearing was closed by Pederson at 7:26pm.

Approval of Ordinance #21-02, Amendment to 2021 Fee Schedule and first read - Sauter read the proposed ordinance noting the Conduit Bond Application would be a \$10,000.00 fee plus an administrative fee .5% of the principal amount of the bonds. *Motion was made by Pettie to approve Ordinance #21-02, Amendment to the 2021 Fee Schedule to include Conduit Bond Application fees and waive the second reading of the Ordinance, seconded by Ovick. On a roll-call vote, Pettie, Palmer, Ovick, Sloan and Pederson all voted in favor and none against. Motion carried.*

Fawn Meadows/Tech Park Joint Discussion - Members of the EDA, HRA, Planning Commission and Council

Sauter presented an overview of the collaborative project. In 2016 Fawn Meadows Outlot A was acquired, in 2017 all platted single-family lots were built and 16 multi-family lots remained. In 2020 the City purchased roughly 45 acres of land (also referred to as Orvis Property) north of Fawn Meadows Outlot A. The HRA and EDA noted the potential to coordinate efforts in their updated strategic plans. Two professional service providers were contacted to provide a roadmap to the members of the EDA, HRA, Planning Commission and City Council to help guide decision making for Survey work, wetland delineation, geotechnical investigation (soil borings with analysis and environmental site review (phase 1)). The goal of this joint meeting is for the groups to discuss land use, outline expectations and choose a consultant to move forward with the project planning. Enclosed in the packet were proposals from MSA and SEH. MSA City Planning Consultants Kate Eiyneck and Lucas Jones and City Engineer Greg Anderson were present to discuss their proposals. There was a long discussion on the proposal differences, SEH quoted the project at roughly \$61,800 and MSA quoted roughly \$46,850.00. Members of the HRA and EDA stated their support for moving forward with MSA's quote and splitting the project costs in thirds. *Motion by Pederson to accept and proceed with MSA's quote of \$46,850.00 and to share the project costs equally in thirds between the Council, EDA and HRA, seconded by Pettie. On a roll-call vote, Pettie, Palmer, Ovick, Sloan and Pederson all voted in favor and none against. Motion carried.*

Street & Utility Project Planning Proposals - City Engineer Anderson provided a background on the Council's request to create a Capital Improvement Plan Mapping Project to map the existing street conditions and utility age/materials to use when making decisions on street reconstruction projects. SEH provided a quote of \$17,500 and MSA provided a quote of \$18,000 or \$32,325 which would include GIS migration and training. *Motion by Pederson to approve to proceed with SEH's quote at \$17,500 and coordinate project results with City's financial advisor with an update to the City's Financial Management Plan, seconded by Ovick. On a roll-call vote, Pettie, Palmer, Ovick, Sloan and Pederson all voted in favor and none against. Motion carried.*

DEPARTMENT/COMMITTEE REPORTS

COMMUNITY DEVELOPMENT

Zoning Amendment Ordinance #21-03, to include Indoor Entertainment as a permitted use within the TI-1 District -

Cassidy VanVleet on behalf of Fore Seasons Golf at parcel #42.5339.000, also known as 505 2nd Street SE, has requested a zoning amendment be made to include Indoor Entertainment as a permitted use within the Light Industrial TI-1 District. Currently the TI-2 District allows Outdoor Commercial Entertainment as a conditional use. Contract Planner Eynck and Community Development Director Sauter have prepared a report including processed findings of fact and a draft Ordinance #21-03, recommending that the Council approve this application for a zoning amendment, for Chapter 10 of the Municipal Development Ordinance to allow Indoor Commercial Entertainment as a use in the Technology/Industrial District from Cassidy VanVleet at 505 2nd Street SE and an amendment to Section 10.200.1340 Permitted Uses into the City of Pine City's Municipal Development Ordinance. This Zoning Amendment has been recommended by the Planning Commission. *Pettie made a motion to adopt the staff report and proposed findings of fact along with **Ordinance #21-03**, approval of Ordinance #21-03, for the revision of Chapter 10 text amendment to Indoor Commercial entertainment to expend its permitted use to be allowed within the Limited Technology/Industrial (TI-1) District, Sloan seconded the motion. On a roll-call vote, Pettie, Palmer, Ovick, Sloan and Pederson all voted in favor and none against. Motion carried.*

Resolution #21-20 Development Site Plan Extension Pine City Senior Living (Timber Pines)- Pine City Senior Living in regards to parcel #42.6298.000, also known as 1550 Northridge Drive NW, received approval of a Development Site Plan in 2019. In July 2020 the City Council approved the first Development Site Plan Approval Extension for the 103-unit Institutional Residential facility which included an amendment to the plan within condition 8, permission for public use of the playground area in lieu of land or monetary contribution, be eliminated so as to not require any contribution. However, due to the continued situation with the COVID-19 pandemic, construction has not yet begun, and the site plan extension has expired. The developer has applied for approval of a second 180 day extension to this plan, and staff have prepared Resolution #21-20, recommending the Council grant this second extension. This development site plan extension has been recommended by the Planning Commission. *Pederson made a motion to adopt the staff report and proposed findings of fact along with approval of **Resolution #21-20**, for a second extension to the development site plan for Pine City Senior Living located at parcel #42.6298.000, seconded by Palmer. On a roll-call vote, Pettie, Palmer, Ovick, Sloan and Pederson all voted in favor and none against. Motion carried.*

Zoning Amendment Ordinance #21-04, to create Section 10.400.100: Solar Energy - Steve Hennek on behalf of Hennek Business Holdings, LLC at parcel 42.0042.001 & 42.0041.003, also known as 1225 Airwaves Road NE, has requested a zoning amendment to be made to allow the use of solar panels as an accessory use in the Technology/Industrial District (TI-2). This request brought up a larger topic identified by staff, of considering amending all major zoning districts to allow the use of solar panels as an accessory use impacting all properties within the City of Pine City. Contract Planner Eynck and Community Development Director Sauter have prepared a report including processed findings of fact and a draft Ordinance #21-04, recommending that the Council approve this application for a zoning amendment, for Chapter 10 of the Municipal Development Ordinance to allow the use of solar panels as an accessory use in the Technology/Industrial District from Steve Hennek at 1225 Airwaves Rd NE and adoption of Section 10.400.1000 Solar Energy into the City of Pine City's Municipal Development Ordinance. This Zoning Amendment has been recommended by the Planning Commission. Steve Hennek was present to give additional information on the solar panels his brother currently has in place at other locations and noted that in 18 months the panels they have installed pulled over a million pounds of carbon. Additional

discussion was had regarding the City's Green Step status, the requirements and setbacks for ground mounted panels and the possibility of civil disputes if a neighbor were to plant a tree blocking the sun from a panel. *Sloan made a motion to adopt the staff report and proposed findings of fact along with **Ordinance #21-04**, approval of Ordinance #21-04, for the revision of Chapter 10 text amendment to create section 10.400.1000: Solar Energy, seconded by Ovick. On a roll-call vote, Pettie, Palmer, Ovick, Sloan and Pederson all voted in favor and none against. Motion carried.*

Building Official Services Contract - Rum River Construction Consultants - Sauter gave an overview of the contract noting it was a renewal with slight changes as Rum River will be taking over Zoning permit administration. Contract Building Official Andy Schreder was in attendance to answer questions regarding insurance and to provide updates on the Rum River website. Staff will reach out to the City's Insurance Agent regarding the minimum amount of insurance we need listed in the contract and if it's \$2million Rum River will make the change prior to signing. *Sloan made a motion to approve the Building Official Services Contract agreement with Rum River Construction Consultants, Pederson seconded the motion. On a roll-call vote, Pettie, Palmer, Ovick, Sloan and Pederson all voted in favor and none against. Motion carried.*

Outstanding Enforcement Issues - Update - Sauter and Luedtke provided updates on parcels 42.0264.000 and 42.5193.000. The City's Legal Counsel recommended staff provide a final 60 day notice to property owners within the spring months to ensure water/road restrictions would have no bearing on the outcome. Discussion was had on the two parcels in question and it was noted that communications with the property owners is continuing.

LIQUOR

Monthly Reports - Smetana presented the Voyageur Bottle Shop March 2021 monthly sales reports. Smetatna explained some numbers that may look off due to an error in entering inventory that has now been corrected and an error in receipts that has now been corrected. Discussion was had on the online and offline registers and how totals get incorrectly entered when sales are made close to closing time since the tills take 15-20 minutes to pull transactions in to the server.

Smetana is still working with Treasurer Demes Maydew on a cash requirements report.

Approval to move seasonal employees to permanent Part-Time - Smetana is recommending Council approve Alan Gosen and Lisa Stoffel to become permanent part-time key holders effective immediately. A question was raised if the Liquor Store will need to hire additional seasonal staff this year and Smetana noted that with the previous new hires and moving the two seasonals to part-time positions she doesn't believe they will need additional staff, however, Smetana will keep track of sales and come back to Council in June if additional staff is needed. *Ovick made a motion to approve hiring Alan Gosen and Lisa Stoffel for the permanent part-time Keyholder positions at the rate of per hour effective immediately, seconded by Pederson. On a roll-call vote, Pettie, Palmer, Ovick, Sloan and Pederson all voted in favor and none against. Motion carried.*

Approval of Liquor Committee members - Smetana is recommending Council appoint Mike Anderson, Mary Ellen Sauser and Nick Olson to the Liquor Committee with the term expiration date of January 31, 2024. *Ovick made a motion to appoint Mike Anderson, Mary Ellen Sauser and Nick Olson to the Liquor Committee with the term expiration date of January 31, 2024, seconded by Pederson. On a roll-call vote, Pettie, Palmer, Ovick, Sloan and Pederson all voted in favor and none against. Motion carried.*

PUBLIC WORKS

Late fees & Shut off notices - Sauter explained that staff are looking for direction on how to proceed with utility billing. Discussion was made on different efforts that could be made to proceed with the growing past due accounts. A consensus was reached for staff to send a letter to property owners and/or renters notifying them of their past balance, payment history, information on the moratorium noting when it's lifted, they are responsible for the entire bill at that time, if they do not pay or do not set up a payment plan they will be turned off.

Site Lease Agreement - Starwire Technology (north water tower) - Sauter worked with the City's Attorney and Public Works Committee to create the Water Tower Site Lease Agreement with Starwire Technology on the North Water Tower. Sauter has been working with Starwire on a few wording changes and the draft agreement and design plans have been sent to the City's Engineer to review. Starwire Technologies, LLC representative Robert Tachney was present to answer questions, noting a to be determined date of installation and the unit will provide 360 degrees of coverage. *Pettie made a motion to approve the Site Lease Agreement at the north water tower with Starwire Technology, seconded by Palmer. On a roll-call vote, Pettie, Palmer, Ovick, Sloan and Pederson all voted in favor and none against. Motion carried.*

PARKS & RECREATION

Advertising for 2021 Seasonal Hires - O'Rourke is recommending Council hire Calvin Stenlund and Lucas Raudabaugh at a rate of \$12.75 starting on April 8, 2021 and to advertise for additional seasonal employment opportunities in the paper and on social media. O'Rourke clarified that the budget could support 5-6 additional seasonal staff depending if they are full time students or not. *Ovick made a motion to approve hiring Calvin Stenlund and Lucas Raudabaugh as a Seasonal at the rate of \$12.75 per hour effective April 8th and to advertise for additional seasonal employment opportunities, seconded by Sloan. On a roll-call vote, Pettie, Palmer, Ovick, Sloan and Pederson all voted in favor and none against. Motion carried.*

Approval of leasing lawnmower from Stan's Equipment Center - O'Rourke provided a quote to lease a eXmark E series mower for \$2,188 from Stan's Equipment Center for the 2021 mowing season for City parks and lots. *Pettie made a motion to approve leasing the eXmark E Series mower from Stan's Equipment Center for the 2021 mowing season at a rate of \$2,188, seconded by Palmer. On a roll-call vote, Pettie, Palmer, Ovick, Sloan and Pederson all voted in favor and none against. Motion carried.*

ADMINISTRATION

Approval of emergency purchase, Resolution #21-21, General Repair Service Invoice - Sauter explained that this resolution is a requirement in the City's Procurement Policy as it was an emergency purchase inquired from the failure of the Kajo lift station located on County Road 55 (Airport Road) when the pump failed on February 25, 2021. Discussion was had on the possibility of any other lift stations needing repairs in the near future, Montbriand will bring forward information to the Public Works Committee. *Motion by Ovick to approve Resolution #21-21, Declaring failure of lift station a special emergency and approving expense of pump replacement at lift station Kajo located on County Road 55 (Airport Rd) in the amount of \$8,881.58 to General Repair Service for emergency event on March 2, 2021, second by Palmer. On a roll-call vote, Pettie, Palmer, Ovick, Sloan and Pederson all voted in favor and none against. Motion carried.*

Approval of ECMECC Service Level Agreement for a SQL server - Sauter explained this is a renewal contract with ECMECC Information Technology to continue hosting two virtual services for the City of Pine City until April 30, 2023 at the rate of \$5,000 per year. *Pederson made a motion to approve the ECMECC Service Level Agreement for a SQL server until April 30, 2023 at a rate of \$5,000 per year, seconded by Pettie. On a roll-call vote, Pettie, Palmer, Ovick, Sloan and Pederson all voted in favor and none against. Motion carried.*

FIRE DEPARTMENT

Monthly Update - Fire Chief Miller provided a memo as an informational document to the Council summarizing the March 2021 incident totals, including 11 fires, 2 motor vehicle accidents and 8 other calls varying from a vapor/fog/dust thought to be smoke, elevator rescue, canceled call enroute and helicopter landing zones. Fire Contract extension update that all municipalities have extended the current contract until 7-31-21 and Chief Miller has been asked to attend the City of Rock Creek Council meeting on Thursday, May 6th. Personnel update on the hiring process for open positions, postings are at city hall and on social media, one application has been received so far. Posting for Lieutenant position closed on Friday April 2nd and interviews will be held soon. The emergency warning siren has been repaired and passed a manual test. A Station/Equipment update explained that Unit #22 accident repairs have been completed and staff are working on the finalized billing with the LMC Insurance adjuster. Unit #11 has multiple issues; staff are

seeking quotes for the possible repairs. Generator install date late May/early June. Staff created a Google Drive folder for Apparatus photos noting the vehicle numbers.

Apparatus Bay Lighting - Chief Miller explained that many of the Fire Department bay fluorescent light bulbs are burnt out/burning out and that after obtaining quotes to change the bulbs it would be a better idea, more energy efficient and will save money in the long run to convert them to LED lighting at this time. *Motion by Pederson to approve the lighting upgrade at the Fire Hall and to accept and proceed with the quote from JSS in the amount of \$2,273.00, seconded by Ovick. On a roll-call vote, Pettie, Palmer, Ovick, Sloan and Pederson all voted in favor and none against. Motion carried.*

#16 Truck Committee - Chief Miller explained that Unit #16 is listed in the capital plan as needing to be replaced in 2022. Recently the unit developed a fuel tank leak and the estimates to fix the vehicle are costly. Staff are recommending Council approve a formation of a truck committee to begin the process to replace Unit #16 and to go with the lower repair bid from Macqueen to repair the fuel tank. Additional discussion was had regarding the age of the vehicle as it is a 1989 and the recent pump test that barely passed. *Motion by Sloan to approve the Fire Department form a truck committee and to proceed with Maqueens quote of \$3,061.75 to repair Unit #16, seconded by Pettie. On a roll-call vote, Pettie, Ovick, Sloan and Pederson all voted in favor, Palmer abstained and none against. Motion carried.*

Addition - Cooperative Agreement with MN DNR - Chief Milled explained that this agreement has been in place between both entities in the past and clarifies the updated cost basis for personal, equipment and apparatuses. It is a 5 year contract. This contract is in place so that the Pine City Fire Department can be reimbursed when assisting with wildfires and other emergencies the MN DNR may request. *Motion by Pettie to approve the Cooperative Agreement with the MN DNR, seconded by Pederson. On a roll-call vote, Pettie, Ovick, Sloan and Pederson all voted in favor, Palmer abstained and none against. Motion carried.*

CLOSED MEETING - Pursuant to Minn. Stat. § 13D.05, subd. 3 (c) to develop or consider offers or counteroffers for the purchase of real property located at 320 3rd St SE, PID 42.5188.000 *Motion by Sloan to enter closed session at 9:28pm, seconded by Pettie. On a roll-call vote, Pettie, Palmer, Ovick, Sloan and Pederson all voted in favor and none against. Motion carried.*

In attendance during the closed session – Mayor Carl Pederson, Councilor Mary Kay Sloan, Councilor Steve Ovick, Councilor Gina Pettie, Councilor Kyle Palmer, Interim City Administrator Lezlie Sauter and Administrative Assistant Carissa Kranz.

Members of the Council, following the completion of their business in closed session, reconvened into open session at 9:49pm.

Motion by Pederson to authorize and direct City staff to negotiate a purchase agreement with Larry Gensmer & Cole Newman for the real property located at 320 3rd St SE, PID 42.5188.000 for \$1.00, also approving the City to proceed working with Carlson-McCain to apply for DEED's matching grant to assist with clean-up costs and including a performance period claw back that if the developers do not start construction within 18 months the City obtains the parcel back, seconded by Ovick. On a roll-call vote, Pettie, Palmer, Ovick, Sloan and Pederson all voted in favor and none against. Motion carried.

ADJOURN

Motion by Pettie to adjourn meeting, second by Sloan. Verbal vote, all in favor. Meeting adjourned at 9:51pm. by Mayor Pederson.

Carl Pederson

Carl Pederson (May 15, 2021 08:11 CDT)

Carl Pederson, Mayor

Lezlie Sauter

Lezlie Sauter, Interim City Administrator

Minutes taken by Administrative Assistant, Carissa Kranz
Next Regular Council meeting is April 29, 2021 at 10am









4-7-2021 Regular Meeting Minutes

Final Audit Report

2021-05-15

Created:	2021-05-14
By:	Carissa Kranz (ckranz@pinecitygov.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAoMw5yyn-E4baeN2VPr6UHINjNGFIVrXH

"4-7-2021 Regular Meeting Minutes" History

-  Document created by Carissa Kranz (ckranz@pinecitygov.com)
2021-05-14 - 8:29:53 PM GMT- IP address: 96.2.143.55
-  Document emailed to Carl Pederson (cpederson@pinecitygov.com) for signature
2021-05-14 - 8:30:14 PM GMT
-  Document emailed to Lezlie Sauter (lsauter@pinecitygov.com) for signature
2021-05-14 - 8:30:14 PM GMT
-  Email viewed by Lezlie Sauter (lsauter@pinecitygov.com)
2021-05-14 - 8:46:05 PM GMT- IP address: 64.233.172.105
-  Document e-signed by Lezlie Sauter (lsauter@pinecitygov.com)
Signature Date: 2021-05-14 - 8:46:12 PM GMT - Time Source: server- IP address: 24.111.45.78
-  Email viewed by Carl Pederson (cpederson@pinecitygov.com)
2021-05-15 - 1:11:10 PM GMT- IP address: 69.9.240.62
-  Document e-signed by Carl Pederson (cpederson@pinecitygov.com)
Signature Date: 2021-05-15 - 1:11:30 PM GMT - Time Source: server- IP address: 69.9.240.62
-  Agreement completed.
2021-05-15 - 1:11:30 PM GMT