



Regular City Council Meeting Minutes

June 2, 2021 at 6:30pm

Hybrid In-Person & Remote Meeting

315 Main Street South

Link: <https://meetings.ringcentral.com/j/1481911129> Meeting ID: 148 191 1129

In attendance (in-person) – Mayor Carl Pederson, Councilor Mary Kay Sloan, Councilor Steve Ovick and Councilor Kyle Palmer.

In attendance (remotely) - Councilor Gina Pettie

Staff in attendance (in-person) – Interim City Administrator Lynda Woulfe and Park and Recreation Director Stacy O'Rourke

Staff in attendance (remotely) – Administrative Assistant Carissa Kranz, Interim Treasurer Catherine Demes Maydew, Public Works Supervisor Maury Montbriand, Liquor Operations Manager Lara Smetana, Fire Chief Tom Miller

Others in attendance – Jay Roos R Home/LGI Homes (remotely), Zach Schmitz & Greg Anderson City Engineers SEH (remotely), WCMP Joe Keyport (in-person)

Call to Order – Mayor Pederson called the meeting to order at 6:30pm and led the Council in the pledge of Allegiance.

Proposed Additions or Deletions to Agenda – Request from Public Works Committee to add two items, Ordering & Purchasing Itron Software and Hardware and Asbestos removal from dog kennel building PID 42.0043.000. *Motion by Sloan, second by Palmer to approve the agenda with the addition of the two items from the Public Works Committee. Verbal vote all in favor, motion carried.*

Addition - Ordering and purchasing Itron Software & Hardware - The Public Works Committee is recommending Council approve purchasing an updated Itron software and hardware from United Systems at the price of \$25,170.00. The current Itron software is going to be unsupported soon and needs to be updated in order to continue utility reads and billing. Montbriand noted the life expectancy of our current utility meters is an additional 10 years and with the new software it should be easier for reading and monitoring excessive water usage. Council discussed if this was an appropriate purchase given the fact the City may change its financial software system. Montbriand noted the meters should work with any new financial software system due to how the electronic reading files download. *Motion by Palmer to proceed with United Systems quote of \$25,170.00 for the Itron system, seconded by Ovick. Verbal vote all in favor, motion carried.*

Addition - Asbestos removal from the dog kennel building parcel #42.0043.000 - Montbriand presented the Public Works Committee recommendation to proceed with the asbestos removal in the dog kennel building at the water treatment plant at a price of \$4,595.00 from Asbestos Abatement Associates. Montbriand noted that the recommendation is the higher bid due to the fact that A-1 Abatement has been deemed a non-responsive contractor. Discussion occurred on where a new dog pound would be placed/constructed. Currently, Woulfe recommended looking into contracting with the kennel outside of Rock Creek instead of constructing a new shelter. *Motion by Ovick to approve to proceed with Asbestos Abatement Associates in the amount of \$4,595.00 for the asbestos removal at the dog kennel building located at parcel #42.0043.000 in the amount of \$4,595.00, due to the other bidder being a non-responsive contractor, seconded by Pederson. Verbal vote all in favor, motion carried.*

Consent Items: The following consent items were submitted:

Approval of Meeting Minutes - April 29, 2021, May 5, 2021, Special May 10, 2021, Special May 14, 2021 and Special May 17, 2021

Approval of May 2021 expenditures

Approval of May 2021 accounts payable

Approval of Claims over \$10,000 - Application for Payment # 6, 2020 Street Improvements \$66,991.15 to A-1 Excavating Inc. Application for Payment #2 for Phase 2, 2020 Street Improvements \$67,003.53 to A-1 Excavating Inc. BerganKDV May 2021 Invoices, Monthly Accounting and Human Resources \$19,600.00 and MSA Professional Services May 2021 Invoices, Review of City Documents, City Hall Renovations, Fawn Meadows & Tech Park Expansion and zoning & variance pass through fees \$24,753.85

Approval of March 2021 fines report

Approval of Temporary Liquor Licenses for Pine County Agricultural Society (August 3-5 and August 6-8, 2021)

Approval of Hollywood Pyrotechnics (Pine City Area Chamber of Commerce) Fireworks Permit for Freedom Fest Event on 6-26-2021

Approve hiring Ava Rydberg as Jr. Lifeguard at \$11 per hour, Anthony Rank as Lifeguard at \$11.25 per hour and Brenna Youngbauer as Jr. Lifeguard at \$11 per hour

Motion made by Sloan, second by Ovick to approve the Consent Items as presented. On a roll-call vote of Palmer, Sloan, Pederson, Ovick and Pettie voting in favor, none against. Motion carried.

Discussion on consent items, Palmer asked about the \$4,002.00 payment to Clarke for pesticides. Montbriand noted that the \$4,002.00 charge is for the midge insect control at the City's sewer ponds and is applied by helicopter. *Direction for staff moving forward to notify the public on the City's Facebook and Website when the City is applying pesticides at the wastewater treatment.* Pederson asked for clarification on the April 29th Council minutes pertaining to the Voyageur Bottle Shop contributing \$50,000.00 towards Hilltop Park & Recreation, if that was an additional \$50,000.00 on top of the \$30,000.00 that was previously in budgeted to contribute, Demes Maydew stated that it's an additional \$50,000.00. Palmer questioned if department heads need to attend special Council meetings if there are not items pertaining to their departments on the agenda. *Direction to encourage staff moving forward that they do not need to attend special meetings unless the agenda items are specific to their departments.*

Open Forum – Sally Silva - 420 7th Ave SE, submitted a letter of concern on May 28, 2021 to be presented at the Open Forum. Woulfe read the letter aloud. The concern was regarding street conditions at 7th Ave SE. Silva is currently having her existing driveway removed and replaced. Woulfe gave an update on her conversation with Ms. Silva. Sloan stated that she drove down 7th Ave SE and there is a strip in front of Ms. Silva's home that needs to be repaired. Montbriand indicated it's on his list for patch work.

Pederson inquired on the status of the Utility Capital Improvement Plan with SEH. Woulfe is meeting with Engineer Anderson and Montbriand next week to continue discussions on the project. Palmer asked about the possibility of using GIS and sharing the layers of the long term street plan with the public.

Sheriff's Report - No one was present to provide the report.

2021 Street Improvement Plans and Specifications and Orders to Advertisement for Bids - SEH - Resolution #21-31 - City Engineer Greg Anderson and Zach Schmitz were present to explain the draft plans and specification for the 2021 Street Improvement Project of a full street and utility reconstruction, including services for 8th Street SW (from Wilcox Avenue to Golf Avenue) and for Golf Avenue SW (from 8th Street SW to Main Street).

Woulfe highly recommended Council hold off on moving forward with the bid process for the 2021 Street Project in order to finalize the 2020 assessments, possibly hire a commercial appraiser to look over the 2021 Street Project proposed assessments to ensure they would meet the statutory special benefit test and continue to work on the assessment policy changes. Discussion was had on the possibility of proceeding to install a solar powered pedestrian crossing sign on 61 near the Hilltop Recreation area, Anderson noted they are roughly \$20,000.00 to purchase and install. *Motion by Sloan to decline advertising for bids for the 2021 Street Project and direct staff to research installing a solar powered pedestrian light on Highway 61 as a joint partnership with Pine County and the Pine City School District, seconded by Palmer. Verbal vote all in favor, motion carried.*

DEPARTMENT/COMMITTEE REPORTS

COMMUNITY DEVELOPMENT

City of Pine City Zoning Ordinance Amendment Request Ordinance #21-06 - The City of Pine City, has requested a zoning amendment be made to allow temporary sheds/non-permanent structures within the (One and) Two Family Residential District (R-2) with an Interim Use Permit. Contract Planner Eynck prepared an amended report including an updated processed findings of fact and a draft Ordinance 21-06 recommending that the Council approve this application for a zoning amendment, for Chapter 10 of the Municipal Development Ordinance to allow temporary sheds/non-permanent structures within the (One and) Two Family Residential District (R-2) with an Interim Use Permit from the City of Pine City and a creation of Section 10.600.0800 Regulations for Temporary Sheds/Non-Permanent Structures in the R-2 District and amending Section 10.600.0840 Interim Use Conditions and Guarantees Subd. 3 to state that "The date or event that will terminate the interim use shall be identified with certainty by the City." and removing the 5 year timeline into the City of Pine City's Municipal Development Ordinance.

Discussion was held that all interim use permits would be recorded by the City, all sheds and structures would be built on temporary footings so they could be easily removed at the termination of the permit or a new owner, the building officer and fire department must approve the site plan and that the City would look into charging a lower fee for the renewal of an interim permit to be put on the Fee Schedule.

Woulfe noted that if we had a GIS system in place, we could track all of these types of permits within a mapping layer. Woulfe noted she would like to reach out to her contact at Community GIS, Tony Kroska, who created Pine City's GIS layers in 2005 to see if he can work with the City to update and maintain a GIS system.

*Motion by Sloan to approve **Ordinance #21-06** revision of Chapter 10 to create Section 10.400.0237: Regulations for Temporary Sheds/Non-Permanent Structures in the R-2 Districts and text amendment to Section 10.600.0840: Interim Use Conditions and Guarantees, seconded by Pettie. On a roll-call vote of Palmer, Sloan, Pederson, Ovick and Pettie voting in favor and none against. Motion carried.*

David Sempel Interim Use Permit 500 1st Street NE PID #42.0079.001 - Resolution #21-26 - David Sempel in regards to parcel #42.0079.001, has requested an Interim Use Permit to allow a non-permanent storage shed within the (One and) Two Family Residential District (R-2). Contract Planner Eynck prepared a report including processed findings of fact and a draft Resolution #21-26, recommending that the Council approve this application for an Interim Use Permit, for a non-permanent storage shed within the (One and) Two Family Residential District (R-2) at 500 1st Street NE.

Woulfe noted that the IUP will be recorded and will not carry forward if property sells. Discussion occurred on how staff will keep track of the recording process. Woulfe noted that processes will be put into place to ensure all items get recorded after adoption by Council.

Motion by Pettie to adopt the staff report and proposed findings of fact along with approval of Resolution #21-26 approving the interim use permit for David Sempel at 500 1st Street NE Parcel #42.0079.001, seconded by Pederson. On a roll-call vote of Palmer, Sloan, Pederson, Ovick and Pettie voting in favor and none against.

Kevin Newman Village Bar & Grill Shoreland Variance Impervious Surface Request 245 3rd Avenue SE PID #42.5163.000 - Resolution #21-27 - Kevin Newman in regards to parcel #42.5163.000, has requested a Shoreland Variance to consider a variance from the shoreland impervious surface coverage limitations within the Mixed Use and Shoreland Districts. Contract Planner Eynck prepared a report including proposed findings of fact and a draft resolution #21-27, recommending the Council approve this application for Shoreland Variance, to increase the impervious surface coverage beyond 25% within the Mixed Use and Shoreland Districts at 245 3rd Avenue SE. additional approximately 2,040 SF or 9% of impervious surface to allow for more outdoor dining.

Motion by Pettie to adopt the staff report and proposed findings of fact along with approval of Resolution #21-27 approving the Kevin Newman Impervious Surface Variance at 245 3rd Avenue SE Parcel #42.5163.000, seconded by Ovick. On a roll-call vote, Palmer, Sloan, Pederson, Ovick and Pettie all voted in favor and none against. Motion carried.

Pine County Land Department Variance Request 445 Saint Croix Road PID #42.0242.000 - Resolution #21-28 - Greg Beck from the Pine County Land Department in regards to parcel #42.0242.000 has requested a Shoreland Variance to consider allowing a reduced setback from the County Road located at the tax forfeited lot, in the (One and) Two Family Residential (R-2) and Shoreland Districts. Contract Planner Eiyk prepared a report including proposed findings of fact and a draft Resolution 21-28, recommending the Council deny this application for Shoreland Variance, within the (One and) Two Family Residential (R-2) and Shoreland Districts at 445 Saint Croix Road SE. Discussion ensued on the safety concerns of the request, especially the site triangle for the residents to the west when exiting their driveway.

Motion by Ovick to adopt the staff report into the record along with proposed findings of fact along supporting the denial as outlined in Resolution #21-28 denying the shoreland variance setback request at 445 Saint Croix Road Parcel #42.0242.000, seconded by Pederson. On a roll-call vote of Palmer, Sloan, Pederson, Ovick and Pettie voting in favor to deny and none against. Motion carried.

Larry Gensmer/Cole Newman Pine City Mill Site Variance Request 320 3rd Street SE PID #42.5188.000 & 42.5186.000 - Resolution #21-29 - Larry Gensmer in regards to parcels #42.5188.000 & 42.5186.000 requested a Shoreland Variance to consider allowing a variance from the shoreland density limitations and impervious surface coverage located within the Mixed Use and Shoreland Districts. Contract Planner Eiyck prepared a report including proposed findings of fact and a draft resolution 21-29, recommending the Council approve this application for Shoreland Variance, within the Mixed Use and Shoreland Districts at 320 3rd Street SE. The variance also included limiting the required parking sites from 50 to 41 because of the number of efficiency and one bedroom apartments. Efficiency apartments require less parking.

Motion by Ovick to adopt the staff report and proposed findings of fact along with approval of Resolution #21-29 approving Gensmer & Newman Density and Impervious Surface Variance and reduction of reduced number of parking spots and adopt findings of facts at 320 3rd Street SE Parcel #42.5188.000 & #42.5186.000, seconded by Ovick. On a roll-call vote of Palmer, Sloan, Pederson, Ovick and Pettie voting in favor and none against. Motion carried.

Jay Roos - R Homes (LGI Homes) Lot Line Adjustment Request 930 Highview Loop SE PID #42.6110.000 - Resolution #21-30 - Jay Roos in regards to parcel #42.6110.000 requested a Lot Line Adjustment to consider adjusting the property line between 930 Highview Loop SE (R Homes/LGI Homes) and 19317 Saint Croix Road SE (Northern National Gas) due to an encroachment issue within the Planned Unit Development District. Contract Planner Eiyk prepared a report including proposed findings of fact and a draft resolution 21-30, recommending the Council approve this application for Lot Line Adjustment, within the Planned Unit Development District at 930 Highview Loop SE.

Motion by Palmer to adopt the staff report and proposed findings of fact along with approval of Resolution #21-30 approving R-Homes, LLC (LGI Homes) Lot Line Adjustment between 930 Highview Loop SE Parcel #42.6110.000 and 19317 Saint Croix Road SE Parcel #26.0517.000 and City Staff will work with Northern Gas and Jay Roos to ensure that the property is conveyed, recorded and detached into the Township, seconded by Ovick. On a roll-call vote of Palmer, Sloan, Pederson, Ovick and Pettie voting in favor and none against. Motion carried.

PARKS & RECREATION

West Side Park & Beach 2021 Spray Treatment - O'Rourke is seeking approval from Council to proceed with a quote provided by Midwest Aquacare to treat West Side Park & Beach for swimmer's itch, submerged weeds, eurasian watermilfoil and curly-leaf pondweed along 300 feet of shoreline and 305 feet lakeward. *Motion by Pederson to approve proceeding with Midwest Aquacare to treat the West Side Park and Beach at the cost of \$1,750.00, seconded by Pettie. Verbal vote all in favor, motion carried.*

Woulfe noted that we are still 4 people short on our seasonal mowing crew and wanted Council's opinion on her son applying for a position. Woulfe noted that there would be no interference, nepotism or personal gain on her end. Consensus from Council that it would be a non-issue and for O'Rourke to proceed with the hiring process to bring forward at an upcoming Council meeting within the Consent Items.

FIRE DEPARTMENT

May 2021 Monthly Fire Department Summary - Fire Chief Miller provided a memo as an informational document to the Council summarizing the May 2021 22 incident totals, including 12 fires, 4 motor vehicle accidents and 6 other calls varying from a canceled call enroute, a helicopter landing zone and good intent/investigate call. Additional updates included on the Fire Committee contracts have been sent to the City Attorney for review, personnel hiring process and station/equipment. Miller noted that the generator install date has been delayed with more details to follow.

Ladder truck repair - Unit #11, the Aerial Ladder Repair has failed its annual testing. The Fire Department received two quotes from Emergency Apparatus Maintenance at a cost of \$22,072.00 and MaQueen Emergency at a cost of \$21,745.92 for the work to be completed and due to the nature of the repair the cost is more than is currently budgeted for. *Motion by Ovick to authorize repairs on Unit #11 the Aerial Ladder Truck and proceeding with MacQueen Emergency in the amount of \$21,745.92, seconded by Sloan. Verbal vote all in favor, motion carried.*

UTV Skid update - Miller explained that they are looking into purchasing skids for the UTV purchased in 2020 from the MN DNR for the purpose of fire suppression and victim rescue. Pricing is coming in higher than originally budgeted for and Miller is looking for approval to apply for the East Central Energy Operation Round Up Grant. Motion by Sloan to authorize the Fire Department to apply for the Operation Round Up Grant through East Central Energy for the purchase of a UTV Skid, seconded by Pederson. *Verbal vote all in favor, motion carried.*

Miller gave an additional update that he has applied for the MN DNR's matching grant to facilitate purchase of hose, nozzles and water caring equipment.

LIQUOR

Monthly Reports - Smetana presented the Voyageur Bottle Shop May 2021 monthly sales reports. Smetana explained that sales are still up from pre-pandemic time. The store has started tastings again on Friday nights. Smetana gave an update that the Military Discount started on Saturday May 30th and they will be tracking how often it's used. Staff did hear a positive response for offering the discount. Palmer asked if the graphic in the background of the Estimated Net Income graph could be removed.

ADMINISTRATION

Administrators Update - Interim City Administrator Woulfe provided an update on her first week in Pine City.

Woulfe would like the City Council to schedule a Council visioning session for Council and key staff members to attend. *Consensus among the Council to move the June 24th Council meeting time to 9am and to include the visioning session as the last item on the agenda. Staff will notice the meeting time change.*

Woulfe created a proposed timeline to hire a new administrator and is requesting feedback. A lengthy discussion was had and ideas were discussed regarding hiring a headhunter, Woulfe possibly extending her contract to stay on to help onboard and mentor whomever is hired. *Consensus among the Council to shoot for interviewing City Administrator candidates in Mid-August.*

Amendment to Timber Pines Senior Living Development Agreement to correct an error on the completion date from 2021 to 2022. *Motion by Pederson to approve staff amend the Timber Pine Senior Living Developers Agreement to correct the completion date from 2021 to 2022 and authorize Woulfe to generate a new page to the agreement, seconded by Sloan. Verbal vote all in favor, motion carried.*

Finance Software Request for Proposal - Woulfe and Interim Treasurer Demes Maydew explained that the City needs to replace its finance software package as the current system in Banyon will no longer be supported. Demes Maydew included an example of an RFP she's done in other communities for a similar project. Committee of staff will look at software before presenting a recommendation to Council. Demes Maydew also explained that Banyon has been creating issues with finance/reports and other cities are having the same issue trying to find new software. *Motion by Ovick for Woulfe to work with BerganKDV to finalize an RFP for Finance Software and issue the RFP, seconded by Sloan. Verbal vote all in favor, motion carried.*

MAYOR - *None at this time.*

MISCELLANEOUS ITEMS

A Sanitary Survey Report for Pine City Public Works System was presented for information. Sloan asked a few questions on the wording within the report specifically about wells being vulnerable. Montbriand and Woulfe explained that this notation indicates these wells are highly susceptible to contamination if the area surrounding them was not developed in accordance with the protections included in the City's current Wellhead Protection Plan. Sloan also questioned the Lead/Copper Corrosion notation. Montbriand states this is not due to the City's water or piping infrastructure but is an ongoing issue with copper lines within households. Montbriand stated the City combats the issue by using Chlorine and zinc orthophosphate to remediate copper shedding within those households. Woulfe noted that the annual Water Quality Report is coming in July and will be published on the website soon.


ADJOURN

Motion by Ovick to adjourn meeting, second by Pettie. Verbal vote, all in favor. Meeting adjourned at 9:01pm.



[Carl Pederson \(Jul 8, 2021 08:48 CDT\)](#)

Carl Pederson, Mayor



Linda J. Woulfe, Interim City Administrator

Minutes taken by Administrative Assistant Carissa Kranz
Next Regular Council meeting is June 24, 2021 at 9am









6-2-2021 Regular Meeting Minutes

Final Audit Report

2021-07-08

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