



Regular City Council Meeting Minutes

February 3, 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.

Absent - None.

Staff in attendance – Community Development Director Lezlie Sauter, Park and Recreation Director Stacy O'Rourke, Liquor Operations Manager Lara Smetana, Fire Chief Tom Miller, Administrative Assistant Carissa Kranz, City Engineer Greg Anderson and Building Official Andy Schreder Rum River Construction Consultants

Others in attendance – Deputy J. Kenow, Pine County Sheriff's Department

Call to Order – Mayor Pederson called the meeting to order at 6:32pm.

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

Proposed Additions or Deletions to Agenda – Palmer requested additional City Hall discussion, item can be added under Administrative. 7.e.2. Also, a request to add Rum River Construction Consultants 2020 Year End Review Presentation to the agenda after the Sheriff's report. *Motion by Sloan, second by Palmer to approve the agenda with the addition of City Hall discussion and Rum River's 2020 year end presentation. On a roll-call vote, Ovick, Pederson, Sloan, Palmer and Pettie all voted in favor and none against. Motion carried.*

Consent Items: The following consent items were submitted:

Approval of Meeting Minutes - January 6, 2021 & January 8, 13 & 14, 2021 Special meetings.

Approval of January 2021 expenditures

Approval of January 2021 accounts payable

Approval of December 2020 fines report

Motion made by Pederson, second by Pettie to approve Consent Items with corrections made to the January 8, 13 & 14, 2021 minutes to indicate in the January 14th's continuation that the second motion did not fail and to make corrections to Pederson's last name throughout the minutes. On a roll call vote, Ovick, Pederson, Sloan, Palmer and Pettie all voted in favor and none against. Motion carried.

Open Forum – Nothing was brought forth.

Sheriff's Report - Deputy Kenow reported recent thefts of catalytic converters from two auto dealerships and the Walmart employee parking area. There is a suspect in custody that had a large amount of converters in their vehicle, which may be related to the thefts. Also, a local marijuana distributor was arrested this week. Sloan inquired about the article in the paper about residents getting their mail taken out of their mailboxes, Deputy Kenow had not received much follow-up from the residents. Discussion was had on the hours and routes that are being taken and the ability for Deputies to adjust as needed.

DEPARTMENT/COMMITTEE REPORTS

Rum River Construction Consultants 2020 Year End Review Presentation - Andy Schreder gave an overview of the 2020 Building Permit Year End Summary. A total of 300 permits were issued, 63 of which were commercial equalling a total valuation of \$10,695,372.00. There were 6 new construction commercial properties and 14 new home permits issued which increased valuation of \$5,484,608 from the prior year. They had 371 closed and 94 active building permits. Rum River sent out a survey monkey this year to permit applicants and contractors to get their input on Rum River's customer service and results came back as 4.7 stars out of 5. Schreder also gave an update on how the inspectors are conducting some remote virtual inspections, new virtual inspection education videos created for contractors/homeowners to prepare for inspections and website changes to include the City of Pine City's permits and helpful informational handouts. Sloan asked how many building permits were from the Federal Home Loan Affordable Housing Program and Small Cities Development Program projects, a request for Sauter to resend Council her recap of the projects. Pederson inquired about permitting fees making sure we are staying fair and turn around time is remaining consistent. Schreder explained we have been increasing the fees incrementally over the years with the exception of this year fees are staying the same. Turn around time on set fee maintenance permits are the same day and permits that require plan review are taking 3-7 days. Ovick asked if there were any issues with the first Hilltop Cottages building. Schreder noted that they have been working through a few bugs and the rest of the buildings should go smoother. Sauter asked how many inspectors Schreder has at the moment. A new inspector was hired last week, currently Rum River employs 12 employees, 8 being field inspectors, because of this they are able to offer inspections 6 days a week.

FIRE DEPARTMENT

Vehicle Repair Estimates for Damages to Unit #22 - Chief Miller received the following 3 estimates for repairs to Fire Engine Unit #22, Emergency Apparatus Maintenance (EAM) \$10,827.63, MacQueen Emergency \$10,692.77 and Kirvida Fire Inc. \$16,872.53. These damages were caused by an accident that happened on December 23, 2020 while responding to a call. Miller will work with the insurance adjuster on the insurance claim, noting a \$500 deductible. *Motion made by Pederson, second by Ovick to proceed with MacQueen Emergency's estimate of \$10,692.77 for repairs to Unit #22 and allowing Chief Miller to work with the insurance adjuster on the claim. On a roll call vote, Ovick, Pederson, Sloan, Palmer and Pettie all voted in favor and none against. Motion carried.*

Grass Pump Estimates for Unit #31 - Chief Miller informed Council that when EAM was addressing the pump leak on Unit #31 additional items were damaged and in need of repair. EAM provided a quote to replace the pump and reconfigure the plumbing for \$9,895.00. *Motion made by Pederson, second by Sloan to proceed with EAM's estimate of \$9895.00 to replace the pump and reconfigure the plumbing on Unit #31. On a roll call vote, Ovick, Pederson, Sloan, Palmer and Pettie all voted in favor and none against. Motion carried.*

Request for a Generator update, Miller stated that the project is moving forward, they will pick up the generator once all the parts come in.

LIQUOR

Monthly Reports - Smetana presented the Voyageur Bottle Shop January 2021 monthly sales reports. Sales are up \$29,000.00 compared to January 2020 sales. The monthly percentage of sales for beer has declined, with liquor increased. The Mark-up on Wine is the highest. The overall net profits are up due to the increased liquor sales as they are marked up higher than beer. Pederson requested Smetana create a net gain in cash minus cash requirements and present at the March 3, 2021 meeting for discussion on the possibility of funds being allocated to help other departments and/or projects.

Assistant Manager Update - Smetana provided an update on the hiring process for the assistant manager position. With the extended deadline a variety of qualified candidates applied and 4 were interviewed last week. Smetana is doing a second round of interviews this week to have the candidates tour the store. Smetana will bring a hiring recommendation forward at the February 25, 2021 Council meeting. Ovick voiced the need to do the proper background investigation on finalists prior to hiring.

PUBLIC WORKS

Public Works Committee Appointment - M. Carey - An application for the Public Works Committee from Martin Carey was received. Staff recommend Council to appoint Carey to the Public Works Committee with the term limit of January 31, 2023. *Motion made by Pettie, second by Ovick to appoint Martin Carey to the Public Works Committee with the term expiration date of January 31, 2023. On a roll call vote, Ovick, Pederson, Sloan, Palmer and Pettie all voted in favor and none against. Motion carried.*

2020 Year End Report - The Public Works Department provided a 2020 Year End Report with a break down of 3 Towed Vehicles, 23 Cemetery Interments, 2,167 Compost Users, 3 Dogs in the Pound, 1 Water Main Break, 5 Snow Plowing, 74 Door Knockers, 4 Water/Sewer Shut Offs, 51 Payment Arrangements and 14 Park Reservations.

Plowing Report - The Public Works Department provided a Plowing Report from December 24, 2020 through January 24, 2021. This included a summary of the days that Public Works had plowed, windrowed, scraped and sanded. Sauter mentioned that this report will be updated monthly until the snow season is done. Sloan questioned the notation of sanding only being done once on the report. Sauter clarified that they are salt/sanding while plowing; however, they noted in the report that they sanded for an entire day to loosen the snow and ice.

2021 Street Reconstruction Recommendation - The Public Works Committee met on January 29, 2021 and recommended the Council to investigate the costs to reconstruct 8th Street SW and Golf Avenue SW, Clark Avenue SW, 7th Street SW (behind Stearns Bank) and 4th Street SW and Johnson Avenue (from Dairy Queen to Pine Tech Community College). Extensive discussion was had on the possible projects. City Engineer G. Anderson provided information on a Local Road Improvement Project (LRIP) funding opportunity that is available to non-MNDOT roads that are considered routes of regional significance. The application is due March 3rd and would require letters of support from Hilltop Cottages, Pine Tech Community College, Civic Center/Hilltop Multiuse building and the Golf Course and a resolution to be passed at the next City Council meeting and Pine County meeting. Consensus from Council for SEH to proceed with the LRIP application.

Resolution #21-14 Ordering Preparation of report on Improvements - Discussion was had on extending the proposed street project to include 4th Street SE from 8th Ave SE to 5th Ave SE. Ovick voiced concern on streets West of 61 and the aging infrastructure that needs to be prioritized, as well as a request previously made to get a map of what improvements have been made and the age/history of all other City streets infrastructure. SEH will extract historical data from GIS and present to Sauter, Rootkie and Miller to review and revise with their combined historical knowledge of past projects. *Motion made by Pettie, second by Ovick to approve the Public Works Committee's recommendation with an amendment to Resolution #21-41, Ordering Preparation of Report on Improvements to 8th Avenue SW, Golf Avenue SW, Clark Avenue SW, 7th Street SW, 4th Street SW and Johnson Avenue, of the 2021 Street Reconstruction Project, to include the section of 4th Street SE from 8th Ave SE to 5th Ave SE and to engage with the City's engineer, SEH and financial advisor, ELHERS to determine the feasibility of the proposed 2021 Street Reconstruction proposal. On a roll call vote, Sloan, Pederson, Palmer, Pettie and Ovick all voted in favor and none against. Motion carried.*

PARKS & RECREATION

Globe discussion update - O'Rourke spoke to the globe sculpture creator, Joe Blaha, to inform him the City is not interested in purchasing the sculpture but would be willing to offer a display space and trench a powerbox at the Pine City Public Library to have his creations displayed every year. An agreement would be made if Mr. Blaha is interested in proceeding forward.

ADMINISTRATIVE

Executive Committee Report - Pederson, Sloan and Sauter interviewed two Accounting firms on February 2, 2021 and recommended contracting with BerganKDV for the proposed \$2,150 per week for 11 months for Treasurer and Accounting Services. Additionally BerganKDV provided an additional quote to get the bank reconciliation done in 3-4 weeks. Bookkeeper M. Steffen is meeting with BerganKDV this week to discuss where he's at and what needs to be done to get the reconciliation caught up, after this meeting BerganKDV will present a new estimate for bank reconciliation.

Sauter provided a breakdown of the 2021 budgeted amount of salary and benefits for the vacant positions of Administrator and Treasurer, because of these vacancies there's just under \$200,000 in the budget. Subtracting the pay increase to the Interim Assistant City Administrator, City Administrator severance, insurance and PTO payout, possible charges from Redpath for trial balance review services and the proposed contract with BerganKDV and there's a remaining balance of \$15,737.24. *Motion made by Pettie, second by Palmer to approve accounting firm BerganKDV's proposed contract of \$103,200.00 for 11 months of Treasurer and Accounting Services beginning in February and to include additional costs for reconciliation service under \$15,000.00 in cost. On a roll call vote, Sloan, Palmer, Pettie, Pederson and Ovick all voted in favor and none against. Motion carried.*

Consensus among Council to give Sauter authority to work with Redpath to see if they will need to continue their trial balance review services during this transition.

Sloan gave an overview of the Executive Committee's recommendation to hire Lezlie Sauter as Interim City Administrator/Community Development Director for up to one year. The Council's goals for Sauter would include establishing organizational flow charts, streamlining work, making suggestions on how things can be done more efficiently and effectively throughout the organization and keeping customer service as a top priority. The Executive Committee is proposing to do a 6 month evaluation with Sauter and to develop a plan at that time for moving forward. *Motion made by Sloan, second by Pettie to hire Lezlie Sauter as Interim City Administrator/Community Development Director for up to one year and direct the Executive Committee to negotiate a contract with Sauter to present for Council approval on February 25, 2021. On a roll call vote, Sloan, Palmer, Pettie, Pederson and Ovick all voted in favor and none against. Motion carried.*

City Hall Discussion - Palmer gave an update on his experience walking through City Hall with Safety Inspector Andy Luedtke this week and expressed concerns related to asbestos contamination, mold from roof leaks, HVAC updates, possible fire suppression and handicap accessibility problems and the high price point to renovate and fix these issues. Palmer also indicated his concerns of the health and safety for staff and potential tenants occupying the building and if the money it would take to update the building couldn't be used elsewhere. Pederson, Sloan and Ovick gave a background on previously estimated costs to build a new building with a smaller footprint and feedback received from citizens to keep City Hall downtown and preserve the historical building. With MSA's Concept Design Services agreement approved at the 1-28-2021 Council meeting they projected to be able to present a prioritization list of what needs to be done to the building along with estimated prices and time frames to complete each item in roughly 3 months.

MAYOR

MISCELLANEOUS ITEMS

2021 City Goals discussion planned for February 25, 2021 @ 10am

ADJOURN

Motion by Ovick to adjourn meeting, second by Sloan. Verbal vote, all in favor. Meeting adjourned at 8:46pm. by Mayor Pederson.

Minutes taken by Administrative Assistant, Carissa Kranz
Next Regular Council meeting is February 25, 2021 at 10am