



Regular City Council Meeting Minutes
July 10, 2019 – 6:30pm
Council Chambers
315 Main Street South

In attendance: Mayor Carl Pederson, Councilor Steve Ovick, Councilor Brian Scholin, and Councilor Gina Pettie.

Absent: Councilor Mary Kay Sloan

Staff in attendance: City Administrator Matthew Van Steenwyk, Public Works Supervisor Maury Montbriand, Liquor Store Manager Lara Smetana, Community Development Director Lezlie Sauter, and City Engineer Greg Anderson.

Mayor Pederson called the meeting to order at approximately 6:30 p.m. and led the Council in the Pledge of Allegiance.

Proposed Additions or Deletions to Agenda - Requests were made to add approval of an invoice from Kvien for scanning services, approval for the Liquor Store to advertise in the Pine County Fair Brochure and the Rodeo program ad, and approval to hire an additional life guard, discussion of the Elan Shores project EAW letter from legal, and a request to amend Resolution 19-40 related to the Haug development (2nd and 3rd). *Motion by Pettie, seconded by Scholin, to approve the agenda as amended. Motion carried by unanimous consent.*

Consent Agenda - The consent items include the approval of the May 30, 2019, Regular Meeting Minutes, June 5, 2019, Regular Meeting Minutes and June 27, 2019, Regular Meeting Minutes, approval of June 2019 Bills, approval of the Pine County Fines Reports for May 2019, approval of the Second Quarter 2019 AR Write-off/Collections List, approval of the Pay Application #4 for Snake River Crossing Project SEH - \$103,309.65, approval of the Pay Application #1 for 2019 Street Improvements Park Construction Company - \$180,405.04, approval of an invoice from Kvien for scanning services for \$8,135.72, and approval of a Temporary On-Sale Liquor License for Pine County Agricultural Society for event on September 14, 2019 for Firefighters Benefit. *Scholin made a motion, seconded by Ovick, to approved the consent items as revised. Motion carried by unanimous consent.*

Open Forum – No statements were made or offered.

Sheriff's Report – Deputy Friday was present to respond to the Council's concerns. No action was taken on this item.

First Reading of Ordinance #19-11: Amendment to Zoning Map - GB to MFR-2 – Sauter provided a summary of the ordinance and related rezoning request. *Motion to waive the second read by Pettie, seconded by Ovick. Motion by Scholin, seconded by Pederson, to approve Ordinance #19-11 amending the official zoning map related to 5 parcels: 42.0024.000, 42.0018.000, 42.0018.002, 42.0020.000, and 42.0019.000 from General Business (GB) to Multi-Family*

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Residential (MFR-2). On a rollcall vote, the motion to approve Ordinance 19-11 passed 4-0, with Scholin, Ovick, Pettie, and Pederson voting in favor and none against.

First Reading of Ordinance #19-12: Amendment to Zoning Map - R-2 to MXU - Sauter provided a summary of the ordinance and related rezoning request. *Motion by Scholin, seconded by Ovick, to waive the second read and approve Ordinance #19-12 amending the official zoning map related to 4 parcels: 42.005.000, 42.0018.001, 42.0026.000, and 42.0016.000 from One and Two Family Residential (R-2) to Mixed Use (MXU). On a rollcall vote, the motion to approve Ordinance 19-12 passed 4-0, with Scholin, Ovick, Pettie, and Pederson voting in favor and none against.*

Haug Development – Sauter provided a summary of the Resolution 19-40 amendment request. Resolution 19-44, Approval of Amendment to resolution 19-40, Development Site Plan 2nd & 3rd Apartments, addressing the requirement for the well closure. *Motion to adopt Resolution 19-44 approving the amendment to resolution 19-40, Development Site Plan 2nd & 3rd Apartments by Scholin, seconded by Ovick. Motion carried by unanimous consent with Scholin, Ovick, Pettie, and Pederson voting in favor and none against.*

Elan Shores PUD Legal Memorandum – Sauter provided an update on the discussion to date. A discussion was had on the letter received from Flaherty and Hood concerning the need for an EAW (Environmental Assessment Worksheet). It was noted that the EAW is needed to help inform the approval of the area plan. Foster provided some concerns with the methodology that was used by the DNR on the density analysis. A discussion was had on making the area plan contingent on a favorable EAW. Staff to seek out a meeting between the developer, staff, and the DNR. No action was taken on this item.

Resolution 19-42, Calling for Hearing on Proposed Assessments for the 2018 Street Improvements (Industrial Street NE, Rypkema Road NE, and Madeline Court NE) - Anderson provided an overview of the proposed assessment and resolution. *Pederson made a motion, seconded by Ovick, to adopt Resolution 19-42, Calling for a Hearing on the Proposed Assessments for the 2018 Street Improvements (Industrial Street NE, Rypkema Road NE, and Madeline Court NE). On a rollcall vote, the motion passed 4-0, with Pederson, Scholin, Ovick and Pettie voting in favor and none against.*

Resolution 19-43, Calling for Hearing on Proposed Assessments for the 2019 Street Improvements – Anderson provided an overview of the proposed assessment and resolution. *Scholin made a motion, seconded by Pettie, to adopt Resolution 19-43, Calling for a Hearing on the Proposed Assessments for the 2019 Street Improvements. On a rollcall vote, the motion passed 4-0, with Pederson, Scholin, Ovick and Pettie voting in favor and none against.*

Consideration and approval of the Two-Year Equipment Rental Abstract – Montbriand provided a summary of the two-year equipment rental abstract. *Motion to approve the two-year Equipment Rental Abstract by Pettie, seconded by Ovick. Motion carried with Pederson, Ovick, Pettie, and Scholin in favor and none against.*

Discuss and approve the parking plan for the 100-block area of 5th Street SE – Montbriand provided a summary of the proposed parking revision on the 100-block area of 5th St SE with note of the PCFD equipment staging needs. A discussion was had on the potential impact of the proposed parking change. *Motion to approve the parking revision to diagonal parking on east side and parallel parking on west on the 100-block area of 5th Street SE by Scholin, seconded by Pettie.*

Staff relayed concerns on the impacts of the proposed change with regard to the access for fire equipment and the potential for ADA compliance obstruction on the east sidewalk.

Motion carried with Ovick, Pettie, and Scholin in favor and Pederson against.

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2018 Audit Presentation - Andy Hering, Redpath CPA – Mr. Hering provided a presentation of the 2018 audit.

2019 Pay Equity Case Status - letter from Minnesota Management & Budget Pay Equity Coordinator – Van Steenwyk provided a summary of the 2019 Pay Equity Analysis. No action was taken on this item.

Discussion on the AEM billings and deviation from proposal – Van Steenwyk provided a summary of the billings to date and the original proposal provided by AEM. Jean McGann from AEM provided additional information on the variance. A discussion was had on the reasons for the deviation and the proposed bank reconciliation process moving forward. A discussion was had on section 10 of the agreement whereby AEM was required to provide a revised fiscal quote if costs were anticipated to exceed the projected amount. Van Steenwyk noted that there was no discussion on the cost increase with AEM. McGann, noted some emails that addressed the issue. McGann also relayed that AEM was open to providing additional policies and procedures to assist the City with its processes.

Motion by Pederson for a revised scope to be developed and to provide a narrative of the additional items to be presented to the City for support.

Ovick made a motion to table the discussion. No additional action was taken on this item.

Civic Center 30-year Lease – Pettie provided a summary of the proposed lease. Staff noted concerns with the lease as presented with regard to plowing, costs, and ice maintenance. A discussion was had on the lack of input of staff on the lease proposal. An inquiry was made with regard to what the \$12,000 in the lease is providing. Motion to table this agreement for further discussion with staff and concerned parties and to seek input from the City's legal counsel. Staff and Council members were directed to present concerns related to the lease to Councilor Pettie.

Discussion and approval of Commission/Committee Policy – A discussion was had on the proposed Commission/Committee Policy and Application. *Motion to approve the Commission/Committee Policy and application by Pettie, seconded by Ovick. Motion carried with Pederson, Ovick, Pettie, and Scholin in favor and none against.*

Approval to conduct a survey of property lines and topography of Challeen Park (PID# 420216000), splitting the \$4,000.00 cost with the Lions Club at the price of \$2,000.00 – Smetana provided a summary of the proposed survey and purpose. *Motion to approve proceeding with the Challeen Park survey and to amend the profession services budget in Parks and Recreation by \$2,000 by Pederson, seconded by Scholin. Motion carried with Pederson, Ovick, Pettie, and Scholin in favor and none against.*

Discussion and possible approval of quotes for assisting Pine City Youth Hockey with facility renovations at Hilltop Park – Sauter provided a summary of quotes and the benefit of conducting the survey and engineering. A discussion was had on who would pay for the survey. Sauter noted the benefit to the City regardless if the Rink project moves forward. *Motion by Pederson, seconded by Pettie to execute a budget amendment for \$3,000 in the Rink budget and to approve the Acre Land Surveying & Civil Methods for \$3,000. Motion carried with Pederson, Ovick, Pettie, and Scholin in favor and none against.*

Approval to Hire a New Lifeguard – Smetana provide a summary of her request. A discussion was had on beach staffing and scheduling. *Motion to hire Tim Thole at a rate of \$11.00/hour as a Lifeguard by Ovick, seconded by Pederson. Motion carried with Pederson, Pettie, Ovick, and Scholin in support and non against.*

June 2019 Monthly Liquor Sales Report - Smetana provided an overview of the June activity. No action was taken on this item.

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Approval to advertise in the Rodeo program (\$300) and the Pine County Fair Brochure (\$255) -Smetana provided a summary of the advertisements and the anticipated benefit. *Motion to proceed with advertising in the Rodeo program and the Pine County Fair Brochure by Ovick, seconded by Pettie. Motion carried with Pederson, Pettie, Ovick, and Scholin in support and non against.*

Motion to adjourn the meeting at approximately 9:29 pm by Ovick, seconded by Pettie. Motion carried with Pederson, Pettie, Ovick, and Scholin in support and non against.

Matt Van Steenwyk
City Administrator

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