



Draft Regular City Council Meeting Minutes
August 29, 2019 - 8am
Council Chambers
315 Main Street South

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

Absent: None

Staff in attendance: City Administrator Matthew Van Steenwyk, Community Development Director Lezlie Sauter, Liquor Store Manager/Parks & Recreation Supervisor Lara Smetana, Andy Luedtke, Safety Inspector, City Engineer Greg Anderson, and City' Appraiser Pete Sampair

Mayor Pederson called the meeting to order at approximately 8:00 a.m. and led the Council in the Pledge of Allegiance.

Additions and/or Deletions to the Agenda – No additions or deletions were presented.

Open Forum – *Joyce Rypkema voiced a thanks for the work of the Council. No other comment was made or presented.*

Approve Resolution #19-46 Declaring & ordering preparation of final assessments for the 2018 Street Improvements - *Motion by Sloan, seconded by Ovick, to approve Resolution #19-46 declaring & ordering preparation of final assessments for the 2018 Street Improvements. On a rollcall vote, the motion passed 5-0, with Pederson, Scholin, Ovick, Pettie, and Sloan voting in favor, and none voting against.*

Approve Resolution #19-47 Declaring & ordering preparation of final assessments for the 2019 Street Improvements and Lift Station for Beaver Pond - *Motion by Scholin, seconded by Pettie, to approve Resolution #19-47 declaring & ordering preparation of final assessments for the 2019 Streets Improvements. On a rollcall vote, the motion passed 5-0, with Pederson, Scholin, Ovick, Pettie, and Sloan voting in favor, and none voting against.*

Public Hearings:

A public hearing was opened for the 2018 Streets Improvements at 8:07.

John Michels, 325 Madeline Court – Mr. Michels presented comments on the perceived assessment being higher than reasonable. Anderson provided a summary of the assessment policy and practices and what contributed to the assessment amount.

Kevin Hofsted, representing Kevin Anderson, made note of the compromise letter received from REAA with respect the Anderson properties and the assessment process to date. Hofsted indicated he was authorized to approve an assessment in total of \$47,500 on the three Anderson parcels – 000 \$30,875, 004 \$2,850, 003 \$13,775.

City of Pine City

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Pete Sampair provided a summary of the appraisal conducted by REAA related to the three Anderson parcels.

A discussion was had on the discussion between the appraisers and the methodologies used to reach their valuations. Sampair discussed the before and after appraisal process and the effect on the assessed valuation. Sampair discussed the valuation increase and the benefit to the property. Sampair noted the discussion with land owners appraiser and the valuation consideration, noting he still supports his original valuation. Sampair noted that the burden of proof lies with the land owner on providing support that the assessed valuation is not accurate. Sampair indicated a recommended assessment of \$55,000. A discussion was had on the applicability of a referenced statute with regard to valuation, vacant land vs improved property. A discussion as had on the industry standard and how appraisals are typically conducted using the valuation of the land and improvements on the property.

Hofsted provided a response to the reference on property types and the methodology with regard to included non-industrial type properties in the valuation process conducted by Sampair. A discussion was had on the allocation of the assessment valuation of \$55,000 to the individual parcels. Hofsted indicated that an assessment split indicated in the Sampair report of: 000 65%, 004 6%, & 003 29%. A discussion was had on the reasonableness of the allocations indicated. Hofsted indicated that the assessment amount should take into consideration the costs incurred for legal fees. Sampair noted that the land owners appraiser was recommended at \$50,000.

A discussion was had on the legal difficulties in the assessment process and the uncertainty in the process.

A proposed offer of was discussed as follows: \$50,000 - 000 65% (\$32,500), 004 6% (\$3,000), & 003 29% (\$14,500).

Kevin Anderson provided comment on the assessment amount and the legal fees related to this discussion. Anderson indicated that he would be agreeable to the \$50,000 assessment valuation.

Public hearing was closed at approximately 8:47

Public hearing opened for the 2019 Street Improvements and Lift Station for Beaver Ponds at 8:48.

Anderson provided an overview of the Lift Station for Beaver Ponds and the proposed project components included final lift, lift station work, and televising of the lines. Anderson noted that the horseshoe would not be taken over by the City.

Lee Anderson, President of the Beaver Ponds Condo Association, noted a meeting of the association and that all members voted to accept the proposed project and related assessments.

Public hearing was closed at 8:53.

Resolution #19-49 Proposed Final Assessments for 2018 Street Improvements (Industrial AVE, Rypkema Road and Madeline Court) - *Motion by Sloan, seconded by Ovick, to approve Resolution #19-49 accepting the proposed Final Assessments for the 2018 Street Improvements (Industrial Ave, Rypkema Rd, and Madeline Court) with noted changes on the Anderson parcels to reflect a \$50,000 assessment as allocated, PID ending 000 65% (\$32,500), 004 6% (\$3,000), & 003 29% (\$14,500). On a rollcall vote, the motion passed 5-0, with Pederson, Scholin, Ovick, Pettie, and Sloan voting in favor, and none voting against.*

Resolution # 19-50 Proposed Final Assessments for the 2019 Street Improvements and Lift Station for Beaver Ponds – *Motion by Scholin, seconded by Pettie, to approve Resolution #19-50 accepting the proposed Final Assessments for the 2019 Street Improvements and Lift Station for Beaver Ponds. On a rollcall vote, the motion passed 5-0, with Pederson, Scholin, Ovick, Pettie, and Sloan voting in favor, and none voting against.*

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Discussion and Approval of Contracts for Small Cities Development Program (SCDP) - Nicole Klosner, Lakes & Pines – Klosner provided an overview of the funding received from DEED for homes in the target area with a goal of 14 residential units at \$25,000 each and commercial of 8 units at \$40,000 each. Klosner discussed the owner match requirements. Klosner noted the format of the loan noting the 10% per year loan forgiveness. A discussion was had on the methodology for determining awards.

Sauter provided an overview of the EDA loan program that was created to help provide the gap funding for the commercial projects. Sauter noted the grant application to the Federal Home Loan Bank funds to expand the program.

A discussion was had on mirroring the EDA loan program within the HRA. No action was taken on this item.

Motion to approve proceeding with the 2019 Small Cities Development program by Ovick, seconded by Sloan. Motion carried by unanimous consent.

Approve Resolution #19-52 Plans for Project #SAP 058-607-025 for CSAH 7 & Bridge – A discussion was had on the proposed project additions and costs to the City. A discussion was had on the inclusion of the conduit on the south side of the bridge. Costs estimates will be provided for the inclusion of the conduit. *Motion by Pettie, seconded by Scholin, to approve Resolution #19-52 Plans for Project #SAP 058-607-025 for CSAH 7 & Bridge including the hydrant repair and street light pole straightening for an estimated total of \$11,141. On a rollcall vote, the motion passed 5-0, with Pederson, Scholin, Ovick, Pettie, and Sloan voting in favor, and none voting against.*

Approve Change Order #1 to 2019 Street Improvement project – Anderson provided a summary of the change order presented addressing the Lake Street soil conditions. *Motion by Ovick, seconded by Pettie, to approve the change order #1 in the amount of \$37,000. Motion carried by unanimous consent.*

City Hall Discussion and Summary - Andy Luedtke, Safety Inspector – Mark LeBrun, Pine County, provided an overview of the proposed upgrades to the building and the general timeline, noting no specific date yet set. Luedtke provided an overview of the proposed building improvements. A discussion was had on the proposed changes including the garage space utilization. A discussion was had on the proposed changes. A discussion was had on timeline and priorities and the impacts of the proposed window and HVAC project. A discussion was had on engaging the county on maintenance items that could be address in the near term. No action was had on this item.

Fire Marshall Dave Hill – The Council recognized Mr. Dave Hill and his contributions to the City and the community as whole. A discussion was had on the positive impacts of the rental registration and inspection program.

Administrative Citation presentation - Luedtke provided an overview of the proposed Administrative Citation and its relationship with code enforcement. A discussion was had on the proposed citation process and benefits. No action was taken on this item.

Workshop on Ordinance #19-14, Amending Chapter 10 Section 10.700.000 Shorelands and Flooding (Public Hearing was on 8-13-19 at Planning Commission) – Sauter provided a presentation and overview of the proposed ordinance changes and the rational for the proposed discussion. Sauter noted that this will be brought to the Planning commission for additional consideration. No action was taken on this item.

Update on the Softball Field Adjacent Land Purchase – Van Steenwyk provided an update on efforts to purchase the land adjacent to the softball fields. Van Steenwyk noted that the owner rescinded their offer to the City and will be selling the land to a private party. No action was taken on this item.

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Update on Hilltop Park Improvements – Discussion tabled until the September 4th regular meeting.

Financial Management Plan - Capital Budget Discussion – A request was made to schedule a special meeting from 4pm to 6pm on Wednesday September 4th.

A note was made of a discussion at the Library committee to entertain the idea of providing funding to a non-employee librarian for training.

A discussion was had on a hotel developer meeting that took place.

Note of conversations with Summit Development related to the naming of the development “Timber Pines” and intention to do a ground breaking in October 2019.

Note was made of the new name of the First Light Clinic now to be Welia.

Mayor Pederson adjourned the meeting at approximately 10:45 pm.

Matt Van Steenwyk
City Administrator

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