

**CITY OF MILACA  
COUNCIL MINUTES**

**April 21, 2022**

**Call to Order Roll Call**

Mayor Pedersen opened the Public Hearing on Street Reconstruction Bond Hearing for Hidden Pines Project Area of the Milaca City Council to order at 6:30 p.m.

Upon roll call, the following council members were present: Mayor Harold Pedersen: Councilors: Dave Dillan, Norris Johnson, Lindsee Larsen. Councilors Absent: Cory Pedersen.

**Staff Present:** City Attorney Damien Toven, Public Works Supervisor Gary Kirkeby, Fire Chief Jesse Gerads, Assistant City Clerk Deloris Katke, Administrative Communications Specialist Mary Mickelson, Liquor Store Manager Vicki Jeys and Public Works Mark Wubben.

**Others Present:** Nick Grahek – Bolton & Menk, Tess Shipman – DAC, Kurt Beckstrom and Chris Carlson – Borgholm Township.

Mayor Pedersen asked if anyone was present to speak on the General Obligation Street Reconstruction Bond. No one came forward. Mayor Pedersen did have a question in regard to the lack of a description of the project in the public notice. Attorney Toven stated that it would not affect the hearing.

Mayor Pedersen asked for any comments from the council. Hearing none, Mayor Pedersen called for a motion to close the Public Hearing. Motion by Johnson to close Public Hearing. Dillan seconded the motion. Motion carried unanimously upon roll call of all council members. Public Hearing closed at 6:32 p.m.

**Call to Order Roll Call**

Mayor Pedersen called the regular meeting of the Milaca City Council to order at 6:32 p.m.

Upon roll call, the following council members were present: Mayor Harold Pedersen: Councilors: Dave Dillan, Norris Johnson, Lindsee Larsen. Councilors Absent: Cory Pedersen.

**Approval of the Agenda**

Mayor Pedersen called for a motion to approve the agenda. Mayor Pedersen requested to move item 10(i) Airport Award Bid up to 9(f). Mayor Pedersen called for a motion to approve the amended agenda. Motion by Larsen to approve the amended Agenda. Seconded by Johnson. Motion carried unanimously upon roll call of all council members.

**Approval of the Minutes – March 17, 2022**

Mayor Pedersen called for a motion to approve the minutes. Motion by Johnson to approve the minutes. Dillan seconded the motion. Motion carried unanimously upon roll call of all council members.

**Approval of Bills**

Mayor Pedersen called for a motion to approve the bills and first quarter reports. Motion by Dillan for approval of the bills and quarterly reports. Larsen seconded the motion. Motion carried unanimously upon roll call of all council members.

**Open Forum** No one came forward

**Requests, Communications, Petitions and Complaints**

*Update State* – Assistant City Clerk Katke updated the council on the letters that were sent to the residents along 110<sup>th</sup> Ave asking for support in having a portion of this road paved. Representative Stauber's office had reached out to the City of Milaca and stated their office would like to officially make this request for the project to be included in the FY23 appropriations bills. 7 letters of support were submitted. Mayor Pedersen commented that he believed this project also included a portion of road from 160<sup>th</sup> St west to Hwy. 169.

*Update County* – Assistant City Clerk updated the council on the redistricting of some areas in Mille Lacs County and advised council that Mille Lacs County did pass a resolution on 04-19-22. Mayor Pedersen did state that he would like to see the City of Milaca start up with the Board of Equalization possibly in the near future.

*Update Townships* – Discussion on the Agreement with Milaca Township and Borgholm. Assistant City Clerk Katke advised the council on some changes from the original agreement that Borgholm Township had requested. Discussion between council and Kurt Beckstrom and Chris Carlson continued on the number of years who would be responsible for what. Mayor Pedersen requested this be tabled so Milaca Township could be present for their input.

Sadie Ash -Milaca Township - arrived at approximately 6:50 p.m.

More discussion on the agreement continued.

Rob Droogsma – Milaca Township – arrived at approximately 6:57 p.m.

Discussion continued. Rob Droogsma reiterated that City of Milaca would grade this year and Milaca Township would grade the next two years. If City of Milaca agrees to grade every three years, that would be great and be helpful.

Mayor Pedersen called for a motion to approve the Grading Agreement between City of Milaca and Milaca Township with the amendments stating City of Milaca agrees to grade this year and Milaca Township will grade the next two years. Motion by Dillan to approve contract with amendments. Seconded by Johnson. Motion carried unanimously upon roll call of all council members.

Petition from Emily Hansen to allow chickens in city limits – per an email from Ms. Hansen, she would not make tonight's meeting and requested to move her petition to May.

DAC Watering Services – Tess Shipman from the Mille Lacs County DAC was present to discuss the watering of the flowers in the downtown area and some parks. Ms. Shipman stated that the DAC has been planting, watering and maintaining the flower pots downtown for the past 9 years. The DAC is asking if they could continue doing this but at a pay rate of \$15.00 an hour. She stated it takes approximately 5-7 hours per week at the most with sometimes being twice a day. No weekends. Ms. Shipman then stated that they would offer a daily rate of \$17.36 as that would be easier bookkeeping rather than number of hours so the monthly rate would be \$385.00 for 5 days of watering and would water mainly from June to October or when the weather turns cold. Ms. Shipman also mentioned that while they were watering downtown, they wouldn't mind also watering the flowers in Reineke Park. Mayor Pedersen questioned as to whether this was a budgeted item. It is not but this fee could be deducted from Parks Professional Services or Improvements Other than Buildings. Mayor Pedersen called for a motion for funds to come out of Parks Professional Services or Improvements Other than Buildings. Motion by Larsen. Seconded by Johnson. Motion carried unanimously upon roll call of all council members with Dillan abstaining (Dillan is a member of the DAC board).

Airport Award Bid for Phase 2 – Apron Reconstruction – Nick Grahek advised council low bid for the apron construction went to Omann Brothers in the amount of \$155,535.53. Grant would be submitted to MN Dot for a total of \$212,305.53, including engineer fees, with MN Dot's portion being \$201,690.25 which would leave a local share amount of \$10,615.28. Mayor Pedersen called for a motion for approval of the low bid from Omann in the amount of \$155,535.53. Motion by Johnson to accept low bid of \$155,535.53. Seconded by Larsen. Motion carried unanimously upon roll call of all council members. Mayor Pedersen called for a motion for approval of the Grant Application to MN Dot. Motion by Dillan. Seconded by Larsen. Motion carried unanimously upon roll call of all council members.

### **Ordinances and Resolutions**

**Resolution 22-08 – Resolution Setting Annual Appointments and Official Designations for 2022 -** Mayor Pedersen requested this be tabled due to some changes from the closed meeting. Mayor Pedersen called for a motion to table this resolution and requested another closed meeting on this matter. Motion by Dillan to table Resolution #22-08. Seconded by Johnson. Motion carried unanimously upon roll call of all council members.

**Resolution 22-11 – Resolution to Write Off NSF/Account Closed Checks.** Mayor Pedersen called for a motion for approval. Motion made by Johnson. Seconded by Dillan. Motion carried unanimously upon roll call of all council members.

**Resolution 22-12– Resolution to Transfer Funds from Fund 609 Liquor Fund to Fund 215 City Events Fund.** Mayor Pedersen called for a motion to approve. Motion by Larsen. Seconded by Johnson. Discussion: Vicki Jeys, Liquor Store Manager, advised the council that she feels the 125<sup>th</sup> Celebration of the City is a big deal and she would like to contribute monies to help with the 125<sup>th</sup> Celebration by transferring \$25,000.00 to be used for the mural, t-shirts sales and the specific events for the 125<sup>th</sup> Celebration. Mayor Pedersen called for a motion for approval. Motion by Dillan for approval. Seconded by Johnson. Motion carried unanimously upon roll call of all council members.

**Resolution 22-13– Resolution Adopting Personnel Policies Adding Juneteenth as a Federal Holiday.** Mayor Pedersen called for a motion for approval. Motion by Dillan for approval. Seconded by Larsen. Motion carried unanimously upon roll call of all council members.

**Resolution 22-14-Resolution Approving El Jalisco 2022 Liquor License.** Mayor Pedersen called for a motion for approval. Motion by Johnson for approval. Seconded by Dillan. Motion carried unanimously upon roll call of all council members.

**Resolution 22-15-Resolution Adopting Street Reconstruction Plan and Approving the Issuance of General Obligation Street Reconstruction Bonds.** Mayor Pedersen called for a motion for approval. Motion by Johnson for approval. Seconded by Larsen. Mayor Pedersen questioned that there was no description of the work to be done in the Resolution. He stated alleys were not in the description and the alleys were substituted for the bypass area (as stated in the 5-year street construction plan). Per Public Works Supervisor Gary Kirkeby, alleys were not included in this reconstruction bond. Alleys were a budgeted item. The only item included in this Reconstruction Bond is for Hidden Pines. Mayor Pedersen

then called for a motion to approve. Motion by Dillan to approve Resolution #22-15. Seconded by Johnson. Motion carried unanimously upon roll call of all council members.

**Ordinance No. 492-Second Reading. Amending City Code, Title XV, Chapter 156 Zoning, adding Brewery, Distillery and Winery to the list of permitted uses in the Light Industrial Zoning District.** Mayor Pedersen called for a motion for approval of the second reading. Motion by Dillan for approval. Seconded by Larsen. Motion carried unanimously upon roll call of all council members.

**Discussion on Chapter 30 -City Government of the City of Milaca Ordinance Code:** Mayor Pedersen stated he just wanted to bring this up for discussion as he feels the notation on the bottom of the agenda needed clarification as to when a councilmember could add something to the agenda. Councilmember Johnson stated that items could be added to the agenda upon approval of the members. Mayor Pedersen would like to have a meeting with Councilmember Johnson, City Attorney Damian and City Manager Pfaff to discuss this chapter.

**Reports of Departments, Boards and Commissions**

**City Manager** – Absent. Hwy 23 Coalition membership was discussed. Becoming a member of this coalition was not in the budget. Council agreed it was a good committee but didn't feel they could become a member this year. No further action on this. Some discussion ensued in regard to the council room flooring. Estimate for epoxy flooring was \$8,040 but only \$7,500 was in the budget. Mayor Pedersen and Councilmember Johnson felt we should keep the carpet. No action taken.

**Police** – Activity report in agenda packet.

**Park- Gorecki Center Parking Area Pavement.** Gary discussed the paving of the parking lot area in Rec Park. \$30,000 budgeted for through donated funds. Remaining monies from Public Works Street Improvements. Sidewalks were discussed per the plan submitted by Stantec. Low bid was submitted from Omann Brothers in the amount of \$52,176.40. Mayor Pedersen called for a motion to approve the low bid from Omann Brothers. Motion by Johnson to approve bid from Omann Brothers in the amount of \$52,176.40. Seconded by Larsen. Motion carried unanimously upon roll call of all council members.

**Public Works** –

**Liquor Store** – Nothing

**Fire Department** – Jesse stated the house burn April 2 north on Hwy 169 went well. Library grass was burned by a controlled burn.

**Planning Commission** –

**Personnel Committee** –

**Budget Committee** –

**Tourism** –

**EDC** – Meets 04-25-22

**Unfinished Business-**

**New Business**

**Special Event Application from 3<sup>rd</sup> Lair Skatepark:** Motion made by Johnson to approve. Seconded by Larsen. Funds for this event has come out of 215. Motion carried unanimously upon roll call of all council members.

**Special Event Application from Milaca High School Tractor Day:** Motion by Larsen to approve. Seconded by Johnson. Motion carried unanimously upon roll call of all council members.

**IT Services Proposal:** Mayor Pedersen questioned the services of Edward Yost. Assistant City Clerk Katke advised the council that this IT Proposal is basically the same services that Greg Kremer provided. Yost is local and we are saving approximately \$2,000 a year. Mayor Pedersen questioned the service hours outside the hours of 8 am to 5 pm, Monday – Friday. Assistant City Clerk advised council that he does work full time in Princeton but if he is needed onsite during this time, he would make his time available. Mayor Pedersen called for a motion to approve the IT Proposal. Motion made by Larsen. Seconded by Dillan. Motion carried unanimously upon roll call of all council members.

**Miscellaneous – Nothing**

**Council Comments:**

Councilmember Johnsons commented on a thumbs up from some city residents for the city taxes.

Councilmember Dillan stated May 13 is School Day of Service and for anyone to contact the school if they have any project they would like done.

Mayor Pedersen discussed the 30.19 (C) Order of Business; Agenda that is printed on the bottom of the agenda. He again is concerned that if a councilmember brings up a topic to discuss without it being on the agenda, that they can't discuss it. Councilmember Johnson advised him that they could after it being voted on to approve the discussion. Mayor Pedersen then asked if council should set a date for a closed meeting? No action.

**Adjourn**

With no other business presented before the council, Mayor Pedersen called for a motion to adjourn. Motion by Johnson to adjourn. Seconded by Dillan. Motion carried unanimously upon roll call of all council members. Meeting adjourned at 8:10 p.m.

  
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Mayor Harold Pedersen

ATTEST:

  
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Assistant City Clerk Deloris Katke