

**Regular City Council Meeting
Via Go-To Meeting / Conference Call
Monday, May 4, 2020**

6:30 p.m.

Call 1-872-240-3212 Access Code: 409-506-805

The Mayor and City Administrator determine that an in-person meeting or a meeting conducted under MN Statute section 13D.02 is not practical or prudent because of a health pandemic or an emergency declared under Chapter 12 as stated in 13D.021. MN Statute 13D.021 will be followed for this meeting.

Members Present: Dana Kass, Darla Kruser, Mike Nelson, David Savage, Andrew Ysker

Members Absent: None

City Staff Present: Michael Schulte, City Administrator/Clerk; Maryellen Suhrhoff, City Attorney; Daron Friesen, Street Superintendent

Others Present: Tammy Omdal, Northland Securities; Cassondra Harder, Rod Fast, Brittany Winters, (others may have been on the call that were not identified)

Call to Order

The meeting was called to order by Mayor Nelson at 6:30 p.m.

Approval of Agenda & Consent Agenda

Motion by Nelson, seconded by Kass, to add 6.C Discussion/Action - Approve Contract & Supporting Documents to the agenda. Motion carried 5 – 0. Motion by Nelson, seconded by Savage, to approve the agenda and consent agenda as amended. Motion carried 5 – 0.

Bills: Checks #23600 – 23643, 666E – 667E

Payroll: Checks #65291 – 65304

Approve April 9 Utilities Commission Minutes

Approve April 20 City Council Minutes

Hire Jacob Karschnik as Street Worker / Public Works II, effective date May 4, 2020

Public

No one spoke during this portion of the meeting.

Street Department Report

Daron Friesen, Street Superintendent, provided the council with a report of completed tasks for the month of April. The burn site attendant resigned from the position. Discussion ensued on burn site hours, how to secure the burn site to prevent illegal materials from being left at the site, and possibly incorporating the weekly on-call employee or the police department in assisting of locking and unlocking the burn site for its designated hours. The council asked if a trail camera could be installed. Friesen will discuss further with Chief Bristol and union employees.

Quotes for repaving alleys in the city were presented. Friesen identified that the alley from city hall to 2nd Avenue would be at the highest priority. Alleys between 8th and 7th, 12th and 13th and to mill and overlay a part of Mountain Lake Road were listed. Direction was given to Friesen to obtain 1-2 more quotes.

Conditional Use Permit – Mountain Lake Public Schools

Motion by Nelson, seconded by Kass, to open a public hearing to discuss a conditional use permit submitted by Mountain Lake Public Schools at 7:10 p.m. Motion carried 5 – 0.

Mountain Lake Public Schools applied for a conditional use permit to have a daycare in the residential district at the current Head Start building this summer while construction takes place at the school. The city administrator reviewed the conditional use ordinance, permit application, public hearing form, notice of public hearing, and a draft finding of fact. Mountain Lake Public Schools must move their daycare this summer because of construction at the school. The Head Start building, already owned by the school, will host the daycare for the summer months. Joanne Karschnik, Mountain Lake Public Schools, spoke briefly on the application at the Planning & Zoning meeting. Their hours will be from 6:30am to 5:30pm. The following numbers are anticipated maximum number of children that will be attending: 10 preschoolers, 4 infants, 6 toddlers, and 10 school-age. The planned hours for day care are from 6:30am to 5:30pm. MLPS is in the process of going through the requirements of the state to have the day care at this address. The criteria required to review to allow the conditional use permit was reviewed at the Planning & Zoning meeting and no restrictions or conditions were found to object to the permit. No comments were made by the public and no comments were submitted to city hall prior to the hearing. The Planning & Zoning approved a motion to recommend to the council to approve the conditional use permit.

Motion by Nelson, seconded by Savage, to close the public hearing at 7:13 p.m. Motion carried 5 – 0. Motion by Kruser, seconded by Kass, to approve the conditional use permit as presented with no additional restrictions or conditions. Motion carried 5 – 0.

Variance Permit – Rod Fast, 1014 9th Ave

Motion by Nelson, seconded by Savage, to open a public hearing at 7:14 p.m. to discuss a variance permit application submitted by Rod Fast, 1014 9th Ave. Motion carried 5 – 0.

The city administrator discussed the variance ordinance, variance permit application, notice of public hearing, draft findings of fact, and building permit information for the project. The property includes a residential house with an attached garage and a 26' 2" wide and 60' ½" long shed. The house includes 1350 square feet of dwelling space and 350 square feet of an attached garage. The shed on the property is just over 1,560 square feet. The combined square footage of the attached garage and the shed on the property totals 1,910 square feet, which is over the allowed square footage of accessory structures as stated in Chapter 9.11 Subdivision 4.5 on this property by approximately 560 square feet. The current shed is considered a non-conforming use structure as stated in Section 9.50 because it is over the allowed amount of square footage for accessory structures on the parcel and because the peak height is 20' 8" (allowed peak height is 18' as stated in Chapter 9.11 Subdivision 4.5). The owner wishes to build a new 26' wide by 60' long shed with a peak height of 19' approximately 12' east of the current shed in 2020. The current shed would be torn down in 2021. The new dimensions are slightly smaller than the current structure. The current shed is 12' away from the west property line. Neighboring properties trees overhang on the property and cause damage to the roof. The new shed would be 50' away from the side-yard property line putting the shed in a better location than the current structure. The new shed exceeds the 18' peak height for an accessory structure, however, the peak height is less than the current shed's height of 20' 8", therefore, lessening the intensity of the non-conforming use structure currently on the property. Rod Fast provided additional information to the Council. Fast bought the property which was a combined 3 parcels in 1988. The shed is believed to have been built in the 1950s and was used for a livestock feeding area and then shop work. City code allows property owners to rebuild a non-conforming use structure as long as it is within the same blueprint and does not add to the intensity of the non-conforming use. The variance is to move the non-conforming use blue print to the east, continue the non-conforming use of more square footage of an accessory structure than a dwelling, and continue to exceed the 18' peak height limit for accessory structure. The criteria required to allow a variance was reviewed and no objections were made. No comments from the public were submitted to city hall prior to the meeting and no comments from the public were made during the hearing. The Planning & Zoning Commission approved a motion to recommend to the city council to approve the variance permit application.

Motion by Nelson, seconded by Kruser, to close the public hearing at 7:24 p.m. Motion carried 5 – 0.

Motion by Nelson, seconded by Savage, to approve the variance application permitted submitted by Rod Fast, 1014 9th Ave with the condition that the current shed must be torn down by the end of the 2021 construction season. Motion carried 5 – 0.

Taxable G.O. Refunding Bonds Series 2020A – Resolution #12-20 Awarding Resolution

Tammy Omdal, Northland Securities, provided an update and a summary of the Taxable G.O. Refunding Bonds Series 2020A. The bond pricing occurred earlier in the day. Proceeds from the Bonds will be used to full net advance refund the 2021 through 2029 maturities of the City's Taxable General Obligation Tax Increment Bonds, Series 2013B; to full net advance refund the 2021 through 2029 maturities of the City's General Taxable Obligation Tax Increment Bonds, Series 2014A; to current refund the 2021 through 2032 maturities of the City's Taxable General Obligation Tax Abatement Bonds, Series 2016A on June 9, 2020; and to pay the costs associated with the issuance of the Bonds. The Series 2013A Refunding Portion of the Bonds have been restructured over 20 years, extending the final maturity to February 1, 2046. The Series 2014A Refunding Portion and the Series 2016A Refunding Portion of the Bonds have been structured to result in relatively level annual savings and annual debt service payments over the life of the Bonds, which is similar to the original structure of the 2013A Bonds and the 2016A Bonds. The Series 2013A Refunding Portion is secured by tax increment revenues and rental payments pursuant to a pledge agreement between the EDA and the City; the Series 2014A Refunding Portion is secured by rental payments pursuant to a pledge agreement between the EDA and the City; the 2016A Refunding Portion is secured by a tax abatement levy. The Bonds are additionally secured by ad valorem taxes. The method of sale was negotiated and the Bonds were underwritten by Northland Securities. S&P gave the City a rating of "A+". The final maturity is February 1, 2046 and the optional call is February 1, 2028. An updated resolution, contract, and signature pages were sent to the council prior to the meeting. Motion by Savage, seconded by Kruser, to approve Resolution #12-20 Authorizing For The Issuance and Sale of \$2,670,000 Taxable General Obligation Refunding Bonds, Series 2020A, Pledging Rent Payment, Tax Increments, Tax Abatements, and Levying a Tax for the Payment Thereof. Motion carried 5 – 0.

Ordinance #3-20 Amending Section 11.04 Off-Street Parking Regulations

Ordinance #3-20 was read for the third time. Motion by Kass, seconded by Savage, to approve Ordinance #3-20 Amending Section 11.04 Off-Street Parking Regulations. Motion carried 5 – 0.

State of Minnesota Joint Powers Agreements & Resolution #13-20 Approving State of Minnesota Joint Powers Agreements with the City of Mountain Lake

The city attorney explained the agreements and the resolution. The agreements and the resolution are a renewal which allows the police department to receive data and communications from the Bureau of Criminal Apprehension. Motion by Kruser, seconded by Ysker to approve Resolution #13-20 and the presented agreements. Motion carried 5 – 0.

Ordinance #4-20 Repealing & Replacing Section 6.31 Tobacco Regulations

Ordinance #4-20 was read for the third time. The city attorney provided a recommended change to the ordinance which sets the fines from \$75, \$200, and \$250 to \$200, \$500, and \$750 respectively. The other recommendation was updated language on how fines and penalties are

determined. The hearing officer will determine the penalty in addition to an administrative fine and community service. Motion by Nelson, seconded by Kruser, to approve Ordinance #4-20 with said recommendations. Motion carried 5 – 0.

Safety Glass at City Hall

Two quotes were presented to install safety glass at the front counter at city hall. It has been stated to the city that the COVID-19 will be treated as a FEMA reimbursement project with eligible expenses to be reimbursed to the city through its process. The glass will be 3/8” tempered glass with two speak easies, and two cutouts on the bottom. Motion by Kass, seconded by Kruser, to approve to install safety glass at city hall for a total cost of \$2,225.62 from Royal Glass LLC. Motion carried 5 – 0.

COVID-19

The city’s operation plan was briefly discussed. The following updates were decided: Pick-ups at the library will be discontinued until determined otherwise by staff. Pick-up procedures once established again will be determined by library staff. The community center will remain closed until May 18th and deposits will be reimbursed. The city campground will remain closed for recreational campers due to the governor’s stay-at-home order through May 18. If restrictions are lifted or modified from the governor, the city campground will follow what is allowed. Campers who rely on their campsite as a primary residence that are seasonal renters (at least one month or more) or by campers who require shelter for the purposes of critical work (such as construction workers) are allowed to stay at the city campground starting May 6, 2020. The bathroom/shower house will remain closed through May 18th and will be reviewed again at the May 18th City Council meeting. Same listed rates apply. The operations plan will be reviewed again on May 18th in which more information from the governor will be known.

Adjourn

The meeting was adjourned at 8:19 p.m.

Approved May 18, 2020

ATTEST:

Michael Schulte, Administrator/Clerk