

**MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL
OF EAST GULL LAKE, COUNTY OF CASS, STATE OF MINNESOTA
REGULAR SESSION
May 7, 2019
6:30 PM**

Mayor Kavanaugh called the May 7, 2019 regular Council meeting to order at 6:30 PM. The pledge of allegiance was recited.

ROLL CALL

Present: Mayor Kavanaugh, Councilors Lang, Ruttger, Demgen and Hoffmann, City Administrator Mason, Planning Commission Chair Bruce Buxton, Public Works Director Jasmer, Administrative Assistant Schack

Absent: None

Audience: Mike Bubany, Jerry Stromberg

ADOPTION OF AGENDA

4a. Additions: – 14e. Letter from Wayne and Lisa Stawarski,
– 14f. Resolution 05:03-19 – Support for Pillager De-watering Grant

4b. Deletions: None

Councilor Demgen moved and Councilor Ruttger seconded the motion to approve the agenda as presented. All present voted in favor thereof. Motion carried.

ADOPTION OF CONSENT AGENDA

Councilor Demgen moved and Councilor Lang seconded the motion to approve the following Consent Agenda items. All present voted in favor thereof. Motion carried.

5a. April 2, 2019 City Council Meeting Minutes

5b. Financial Report

- ◆ May, 2019 bank statement information
 - Checking Account
 - Total Additions: \$20,689.33
 - Total Subtractions: \$73,445.19
 - Ending Balance: \$71,791.30
 - Interest Earned to date: \$3.63
 - Money Market Account
 - Interest Earned: \$515.87
 - Ending Balance: \$294,764.23
 - Interest Earned to date: \$1,677.00
- ◆ Approve April, 2019 Check Register
 - Claims 20273 to 20309 for total amount of \$54,504.46
- ◆ Approve April, 2018 payroll EFT payments
 - EFT Payroll: \$16,487.41; EFT Transmittals: \$16,130.84
- ◆ Monthly Budget Report, Delinquent WW Customers Report

5c. Liquor Licenses:

Ernie's On Gull Lake	Off Sale Liquor License	\$100.00
	On Sale Liquor License	\$1250.00
	Sunday On Sale Liquor License.....	\$200.00
The Classic (Madden's)	On Sale Liquor License	\$1250.00
	Sunday On Sale Liquor License.....	\$200.00
Madden's On Gull Lake	Off Sale Liquor License	\$100.00
	On Sale Liquor License	\$1250.00
	Sunday On Sale Liquor License.....	\$200.00
Cragun's Lodge/Conference Center	Off Sale Liquor License	\$100.00
	On Sale Liquor License	\$1250.00
	Sunday On Sale Liquor License.....	\$200.00
Legacy Courses at Cragun's	On Sale Liquor License	\$1250.00
	Sunday On Sale Liquor License.....	\$200.00

OPEN FORUM**

- 6a. Dennis Lang presented his letter of resignation as a City Councilor. He noted he would continue to serve until a replacement is appointed.

PLANNING & ZONING

- 7a. Planning Commission Report
Chair Buxton noted the meeting was mostly discussion of the zoning ordinance.

WASTEWATER & ROAD REPORT

- 8a. MRWA Presentation – Mike Bubany, David Drown & Associates – Lift Station #5 Financing
Mr. Bubany introduced himself stating he was a former city administrator for a small town in southeastern Minnesota. He stated for the past 20 years he has worked for David Drown & Associates as a financial consultant helping cities issue bonds, prepare tax increment districts and capital improvement plans. He noted said firm (David Drown & Associates) was his consultant when he was city administrator. He noted said firm has an association with Minnesota Rural Water Association (MRWA) and Sourcewell (Formerly NJPA). Region Five cities hiring said firm to perform any services such as bond issues, tax increment, capital improvement planning, Sourcewell, exclusively with said firm, will pay 50% up to \$7,500 of said firm's fees. He presented the options regarding the financing for the Lift Station #5 Reconstruction project. He noted that the MRWA micro-loan program would be a good choice in this situation. It is used for a \$250,000 loan with a seven year pay back, with the lender allowing increase up to 10-year payoff. Fees for the financing is \$5,050 with the contribution from Sourcewell subtracting 50% making the total fees for the loan \$2,525. He noted that the standard lender for the micro-loan is Pine Island Bank, but it was noted the city can use Bremer Bank and still use said firm. Administrator Mason noted that he contacted Bremer Bank and they are very interested in working with the City. He noted a past loan we had with Bremer Bank was recently paid off and it happened to be around the same payment that is proposed for this project. It was noted that the total borrowed should not exceed \$275,000 and the remaining costs will need to come out of the city budget. Administrator Mason stated the proposal for the micro-loan will be voted on at the June meeting, noting that WSN will need payment in July for some of the equipment that will need to be purchased in advance of completing the project.

8b. Sale of City Truck – 2001 Dodge pickup with snow plow

Administrator Mason noted that the sale of the truck was public noticed. He noted that Councilor Hoffmann offered \$2,300 bid for the truck as is.

Councilor Demgen moved and Councilor Ruttger seconded the motion to approve the sale of the 2001 Dodge pickup to Councilor Hoffmann. Councilor Hoffmann abstained. Remaining councilors present voted in favor thereof. Motion carried.

PUBLIC SAFETY

No Report

PARK & TRAILS

10a. Proposal for the Channel Fisherman’s Parking Lot

Administrator Mason explained the proposal of construction of the parking lot and the trails that will be in association with the area. Discussion ensued regarding the two proposals received. The size of the parking lot was discussed noting how many vehicles will be able to park in the lot. It was noted that the walking area needs to be prepared and it would be beneficial to have that prepared at the same time as the parking lot. It was noted that the proposals should be more detailed before a decision is made. The issue was tabled until the next meeting.

PERSONNEL COMMITTEE

No Report

BUDGET COMMITTEE

No Report

MAYOR’S REPORT

13a. Pillager Fire Contract Discussion

Mayor Kavanaugh opened the discussion regarding the contract with Pillager Fire and brought up the possibility of becoming a member. Discussion ensued regarding the formula that is used to determine the charges for members. It was noted that if the same formula is used, East Gull Lake would be paying much more than the other members. Administrator Mason noted that there could be a fairer way. Mayor Kavanaugh noted that the reason the City would consider joining is because there is a young couple that is interested in becoming firefighters for the Pillager Fire Department and they can’t because they live in East Gull Lake. The Pillager Fire Association stated they would allow them to join if the City became a member of the association. City staff put together a chart with the payments distributed more evenly. If the Association accepts the numbers given, the City would then consider joining, noting that any future increases in charges should be even across the members.

13b. Mayor Kavanaugh noted that there will be a vacancy on the Council with Dennis Lang resigning his position. It was noted that the position opening will be posted on the City Website as well as the bulletin board at City Hall. Mayor Kavanaugh noted that Tim Bergin is interested in the position and expressed the desire for the person filling the position temporarily would also be interested in running for the position in the 2020 election. It was noted that the Council will be passing a resolution accepting the vacancy and will be appointing the person to fill the position at the June meeting.

CITY ADMINISTRATOR REPORT

14a. Resolution 05:01-19 – TEAM Raffle Permit at Cragun’s Resort 7/25/2019

Councilor Ruttger moved and Councilor Hoffmann seconded, the motion to adopt Resolution 05: 01-19 – a raffle to be held by TEAM Foundation at Cragun's Resort on July 25, 2019; absent: none. All present voted in favor thereof. Motion carried by 5/5 roll call vote.

14b. Paul Sachs Land Trade

Administrator Mason stated the trade has been completed.

14c. Airport M&O Grant Contract

Resolution 05:02-19: That MN Contract #1033479: “Airport Maintenance and Operation Grant Contract” at the City of East Gull Lake Airport is accepted and that the Mayor and City Administrator are authorized to execute this Contract and any amendments on behalf of the City of East Gull Lake.

Councilor Hoffmann moved and Councilor Lang seconded, the motion to adopt Resolution 05: 02-19 – MN Contract #1033479: “Airport Maintenance and Operation Grant Contract” at the City of East Gull Lake Airport; absent: none. All present voted in favor thereof. Motion carried by 5/5 roll call vote.

14d. Spring Newsletter Articles

Administrator Mason asked if anyone would like to help write any of the articles. He went over the proposed articles that were presented.

14e. Letter from Wayne and Lisa Stawarski

Administrator Mason read the letter and then showed photos of the area in question. Discussion ensued noting that the area in question is a wetland and the ground is saturated because it is springtime and there was a lot of snow this past winter. It was noted that the culvert is being cleaned out to offer more drainage. It was also noted that the requirements made for construction for THE HARBOR have been met.

14d. Resolution 05:03-19 – Support for Pillager De-watering Grant

Councilor Demgen moved and Councilor Ruttger seconded, the motion to adopt Resolution 05: 03-19 supporting the City of Pillager in submitting an Innovation Funding Grant Application to Sourcewell for the consideration of the purchase of dewatering equipment; absent: none. All present voted in favor thereof. Motion carried by 5/5 roll call vote.

OLD BUSINESS

None

NEW BUSINESS

Councilor Ruttger asked if anyone has inquired Sourcewell regarding mosquito spraying equipment for the City. It was noted that it will be looked into.

NEXT REGULAR SESSIONS OF CITY COUNCIL/OTHER MEETINGS

Wastewater & Roads Meeting Wednesday, May 15, 2019 at 3:00pm
Planning and Zoning Meeting Tuesday, May 28, 2019 at 6:30pm
City Council Meeting Tuesday, June 04, 2019 at 6:30pm

Councilor Demgen moved and Councilor Ruttger seconded the motion to adjourn the meeting. All present voted in favor thereof. Motion carried.

Transcribed by East Gull Lake Administrative Assistant
Kathy Schack

These minutes are paraphrased and are not written word for word.

***CONSENT AGENDA ITEMS** are considered to be routine and noncontroversial by the Council and will be approved by one motion. There will be no separate discussion for decision of these items unless a Councilmember, staff member, or citizen so requests due to a speculative controversy, in which case the item will be removed from the consent agenda and considered under the regular agenda.

****OPEN FORUM** allows the public to speak to the Council regarding issues that are not on the agenda.