

**MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL
OF EAST GULL LAKE, COUNTY OF CASS, STATE OF MINNESOTA
SPECIAL MEETING
April 11, 2023
6:30 PM**

Mayor Kavanaugh called the April 11, 2023 regular Council meeting to order at 6:30 PM. The pledge of allegiance was recited.

ROLL CALL

Present: Mayor Kavanaugh, Councilors Bergin, Ruttger, Demgen and Hoffmann

Absent: None

City Staff: City Administrator Laura Christensen, Public Works Director Matt Poythress, Administrative Assistant Kathy Schack

P&Z Representative: Planning Commission Chair Bruce Buxton

Audience: Thomas Radio, Kyle Hart, Brad & Lori Kohorst, Paul Tollefson, Doug Schieffer, Albie & Jodi Kuschel, Paul Sandy, Neal Gaalswyk, Theresa Bourke, Glen & Elaine Kraemer,

ADOPTION OF AGENDA

4a. Additions: **7d, 8d, 13b**

4b. Deletions:

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

5a. March 21, 2023 City Council Meeting Minutes

5b. Financial Report

- ◆ February, 2023 bank statement information
 - Checking Account:
 - Total Additions: \$84,463.61
 - Total Subtractions: \$100,398.92
 - Ending Balance: \$297,086.94
 - Interest Earned to date: \$140.97
 - Money Market Account:
 - Interest Earned: \$7.72
 - Ending Balance: \$10,076.70
 - Interest Earned to date: \$16.27
 - Certificate of Deposit:
 - Balance: \$400,000
 - Maturity Date: April 8, 2023
 - Interest at Maturity: \$2,800.00
- ◆ Approve March, 2023 Check Register
 - Claims 21760 to 21787 for total amount of \$77,757.83
- ◆ Approve Click here to enter a date. payroll EFT payments
 - Payroll Checks Register Total: \$45,886.87
- ◆ Monthly Budget Report, Delinquent WW Customers Report

OPEN FORUM**

6a. Pillager Fire Contract – Greg Ringler

Fire Chief Greg Ringler addressed the Council introducing himself and asking if anyone had questions regarding the report in the packet. Mayor Kavanaugh noted that insurance is more difficult to obtain due to the distance from the fire station. He noted that it may be closer to a time where the city should consider constructing a satellite fire station in East Gull Lake.

6b. Patrick Brennan addressed the Council regarding the homes being purchased by Cragun's and turning them into rental properties. He pointed out that the homes are being fitted with multiple bedrooms without changes to the private septic systems. He noted that the residential area is being turned into a commercial setting. He read the petition signed by all but one of the residents in the neighborhood. Jim Eisler, as a real estate agent, addressed the Council stating people are asking what the rules are in the city. He wants to be able to tell his clients the correct information. He noted enforcement is an issue. Albie Kuschel addressed the Council regarding the development of Cragun's golf course. He also noted that the SSTS for each of the properties have not been brought up to compliance. He stated that Cragun's continue with what they are doing because the City had not enforced the violations. Paul Tollefson addressed the Council to enforce the Ordinance. Gary Scheeler addressed the Council asking how the Council will enforce the issue. Mayor Kavanaugh noted he would like legal advice before moving forward with any action. Neal Gaalswyk addressed the Council regarding how SSTS compliance will be enforced by the County. He noted the trigger for a need of inspection is either a sale of property or a building permit request, stating that the County would do the inspection of the plans, but it would be the City's responsibility to enforce the compliance. He also noted that a cease and desist order cannot be placed on something that did not require a permit in the first place. Chair Buxton noted that a permit does not need to be pulled when construction is contained within the existing buildings because the city only has Land Use Permitting within the city ordinance. He stated that because of this, the city was not aware of those internal changes until the last meeting. It was noted that the Council will need to have some time to address the issue.

PLANNING & ZONING

7a. Planning Commission meeting report – March 28, 2023

Chair Buxton addressed the Council regarding the updating of the airport. He stated that the commissioners agreed the airport should be used as an airport. He noted before any more action is taken, attorneys should be contacted to make a definitive answer as to the covenant's validity on the deed. If they are not valid, the commission recommends moving forward with updating the airport to allow hangars. If they are, the recommendation is to close the airport and either turn it into a park for the city or put the covenants back on it and deed it back to Madden's Resort. Mayor Kavanaugh noted the Council rescinded the motion to move forward with the update to the airport. He stated if no one has changed their mind, he doesn't want to waste any more time on this issue.

7b. Kohorst Variance Application #2023-07

Chair Buxton stated the stormwater plan needed to be resubmitted. He noted the Commission recommended approval subject to the eight conditions presented by city staff, the most serious one being the stormwater retention plan as it needed revision. He stated the updated plan needs to be approved by the City before construction.

Councilor Hoffmann moved and Councilor Demgen seconded to approve Variance 2023-07 subject to the findings and conditions as presented by the Planning Commission. All present voted in favor thereof. Motion carried.

7c. WSB Norway Ridge Plat Review Proposal

Paul Sandy addressed the Council with an update on the review process noting there is a proposal for the next round of review of the Norway Ridge Preliminary/Final plat. He noted the preliminary plat application has been accepted and will be on the April 25, 2023 Planning Commission meeting schedule. It was also noted that these fees are reimbursed by the developers and that this will take the review into the final plat.

Councilor Ruttger moved and Councilor Bergin seconded the motion to approve the proposal for review of the preliminary/final plat submittal for a not-to-exceed \$17,826 to be reimbursed by the developers. All present voted in favor thereof. Motion carried.

7d. Music General quote for technology needs at the April 25, 2023 Planning Commission meeting

Administrator Christensen stated that the meeting at Cragun’s Legacy Pavilion will need technology providing a projector and screen, a basic sound system with speaker, mixer cables and microphones. She noted the quote from Music General for the amount of \$970.00 (taking the state tax of \$52.80 off the total of \$1,022.80) It was noted this cost will be passed on to the developers of Norway Ridge.

Councilor Hoffmann moved and Councilor Demgen seconded the motion to approve the quote from Music General for the technology provided for \$1,022.80. All present voted in favor thereof. Motion carried.

WASTEWATER & ROAD REPORT

8a. Consider approval of bids for Street & Trail Project

Paul Sandy reviewed the bids that were opened on March 24, 2023. Two companies bid on the project: Anderson Brothers Construction Company and Knife River Corporation, with Anderson Bros. being the low bidder just under the Engineer’s Estimate:

	Base Bid Total	Alt 1 Total	Grand Total
• Anderson Brothers Construction Company ..	\$380,253.43	\$114,520.84	\$494,774.27
• Knife River Corporation	\$449,765.35	\$138,561.92	\$588,327.27
• Engineer's Opinion of Cost	\$398,220.50	\$112,436.50	\$510,657.00

The Base Bid indicated for the road portion, the Alternate 1 for the trails and the Grand Total for both roads and trails. He noted the Council has the option to accept the bids separately, together, or decline entirely. Timing was discussed noting the wastewater project may cause some reconstruction of the street and trail. Delaying either or both to after wastewater construction is complete was discussed. Funding was discussed. Paul stated for the next step in the process he will be bringing a Resolution to the next meeting to get a grant in place with MnDOT.

Councilor Bergin moved and Councilor Demgen seconded the motion to award the base bid to Anderson Bros Construction Company for \$380,253.43 and move forward with using fund monies as well as financing the additional amount needed. All present voted in favor thereof. Motion carried.

8b. WSB Memo

Discussion ensued regarding the number of ERCs that would be added to the south plant, and it was noted that after the potential increase, it would still be under current capacity.

8c. Wastewater facility plan scenarios

See above

8d. **City of East Gull Lake and Cass County Joint Powers Agreement for Sanitary Sewage Treatment System program administration**

Attorney Pearson noted the final version of the agreement is complete.

Councilor Hoffmann moved and Councilor Bergin seconded the motion to approve the agreement with Cass County for SSTS assistance. All present voted in favor thereof. Motion carried.

PUBLIC SAFETY

No Report

PARK & TRAILS

Administrator Christensen addressed the Council regarding reserving the pickleball courts. She is requesting direction. Discussion ensued regarding scheduling use of the courts. It was noted that those who are coordinating the schedule should post when they plan on using the courts.

PERSONNEL COMMITTEE

No Report

BUDGET COMMITTEE

No Report

MAYOR'S REPORT

13a. First Responders

Mayor Kavanaugh noted there is a group, Lakes Area Rescue Zone 2, that is trying to form a group with the EGL First Responders. He noted the group wants to have a get-together at the airport on May 11, 2023 and would like the city to fund the food. It was noted that the training donation that was approved is no longer needed for training so the city would be able to transfer the approved funds to fund the food for this event.

Councilor Bergin moved and Councilor Hoffmann seconded the motion to approve the transfer of funds from the donation to the First Responders for training to food for the get-together. All present voted in favor thereof. Motion carried.

13b. **Appointment of Dennis Lang to Wastewater Committee**

Councilor Bergin moved and Councilor Ruttger seconded the motion to approve appointment of Dennis Lang to the Wastewater Committee. All present voted in favor thereof. Motion carried.

Mayor Kavanaugh mentioned the thank you letter received from the Lakes Area Food Shelf.

CITY ADMINISTRATOR

14a. Administrator's Report

Administrator Christensen discussed the possibility of hiring another planning and zoning person to help with the increased load, but she stated that it would be more beneficial for the city to wait until next year.

OLD BUSINESS

15a. Airport Discussion – discussed during Planning Commission Report

NEW BUSINESS

16a. Maturity of 12-month CD and options for investment

Options for the CD were discussed, and it was decided to put the money into the Money Market account due to the monetary demands coming up.

16b. Resolution 04:02-23: Sourcewell Community Impact Funds for Local Government Application
Administrator Christensen stated that Sourcewell representatives met with the city to explain the opportunity to receive funding from Sourcewell for a request up to \$50,000 to cover costs for specific expenses such as repairing the retaining wall at the south plant, new lighting, upgrading accounting software, etc.

Councilor Bergin moved and Councilor Demgen seconded, the motion to adopt Resolution 04: 02-23 – for Sourcewell Community Impact Funds for Local Government Application ; absent: none. All present voted in favor thereof. Motion carried by 5/5 roll call vote.

16c. Renewal of LMCIT Insurance

No information yet. Discussion ensued regarding cyber security being added to the city policy. Cascade Computers would add more security for an additional \$10.00 per month that would bring the city into compliance with the additional requirements.

Councilor Bergin moved and Councilor Hoffmann seconded the motion to approve Cascade Computers to add cyber security for \$10.00 per month. All present voted in favor thereof. Motion carried.

16d. Resolution 04:01-23: TEAM Raffle Gambling Permit Application

Councilor Hoffmann moved and Councilor Ruttger seconded, the motion to adopt Resolution 04: 01-23 – a raffle to be held by TEAM Foundation at Cragun's Legacy on July 20 2023; absent: none. All present voted in favor thereof. Motion carried by 5/5 roll call vote.

NEXT REGULAR SESSIONS OF CITY COUNCIL/OTHER MEETINGS

Planning and Zoning Meeting-Joint meeting with Council Tuesday, April 25, 2023 at 6:30pm
City Council Meeting Tuesday, May 02, 2023 at 6:30pm
Wastewater Committee Meeting Thursday, April 13, 2023 at 1:00pm
Road Committee Meeting Thursday, April 13, 2023 at 1:30pm

Councilor Demgen moved and Councilor Bergin 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.