

Finlayson City Council – Regular Meeting

Finlayson City Hall

October 15, 2024 - 6:30 p.m.

1. **The regular city council meeting was called to order at 6:30 p.m. Tuesday, October 15, 2024 by Mayor Dave Auchter, followed by the Pledge of Allegiance.**
2. **Roll Call: Council Members present:** Dave Auchter, Kim Schaefer, Russell Lucht, Barb Morgan.
Council Members absent: Joe Okun.
Others present: John Mikrot, Joe Luedtke, Randy Millner, Wyatt Lucht, Liz Kelly, Steve Christensen, Sonia Fales.
3. **Approval of Meeting Minutes**
 - a. A motion was made by Morgan to approve the September 9, 2024 regular city council minutes. Second by Schaefer. All in favor. Motion carried.
4. **Approval of Bills to be Paid**
 - b. A motion was made by Morgan to pay the September bills. Second by Schaefer. All in favor. Motion carried.
5. **Additions or Corrections:**
 - c. Correction - Mayor Auchter was absent at the September council meeting.
 - d. Correction item C.a. – Schaefer requested to correct August 2024 Liquor store profit to \$9736.47.
 - e. Correction item D.b. – Morgan requested to correct spelling from Karskey to Karsky.
 - f. Notation to Complaint A – Auchter responded regarding the concern about minimal communication to the Council; the information-gathering session held in August was initiated by Pine County and did not constitute a quorum, which does not require a public posting.
 - g. Correction item F.b. – Auchter requested to correct that the City of Askov does not use the County for zoning, and noted that a current list of Pine County Ordinance Jurisdiction can be found on the website at: https://www.co.pine.mn.us/departments/planning_and_zoning
 - h. Addition - Next month's meeting will need to be on 11/12 due to Veteran's Day holiday.
 - i. Addition – Grading on Pine Lake Rd
 - j. Addition – Concerned Citizens meeting group
 - k. Addition – Resolutions 20 and 24
6. **Petitions/Compliments/Complaints:**
 - l. Email re: abandoned house at 2326 Hwy 18 – At this point it is the County's jurisdiction as property is in tax forfeiture. Mayor Auchter will inquire with the attorney about possible condemnation and follow up in November.
 - m. Petition: Sonia Fales inquired about status of temporary liquor license for an event the weekend of 10/25/24. License application was sent in July. Alcohol & Gambling responded to

two inquiries sent by Clerk in September stating that licenses are processed in the order of the event, and confirmed that they are in pending status. Clerk will reach out to A&G contact again for an update.

7. Reports:

a. John Mikrot, Water/Sewer Operator:

- i. Mikrot reports hydrant by Petry's still out of service & awaiting repair.
- ii. The transducer at the water tower failed & the tower had overflow. Repairs are being done.
- iii. Hydrants flushed & jetting completed for season in October.
- iv. Hydrant Pressure Relief Valves are needed each time Maguire Iron services the water tower for the 5-year inspections. Previously used Maguire's but each city will now need to purchase their own. Sharing with other cities is not an option due to timing requirements. *Motion made by Schaefer to budget for two relief valves in the 2025 budget, approx. \$3400 total. Second by Lucht. All in favor. Motion carried.*

b. Randy Millner, Public Works:

- i. A new blade for the skidsteer is needed; has not been replaced in many years. *Motion by Morgan to authorize the purchase of a new 72" plow blade, approx. \$1400. Second by Schaefer. All in favor. Motion carried.*
- ii. Millner received his permit for his Class D license. Is working on brake endorsement to finalize CDL.
- iii. The broom for the skidsteer has flat spots & new one is needed. *Motion by Lucht to purchase new bristles. Second by Schaefer. All in favor. Motion carried.*

c. Joe Luedtke, Liquor Store Manager:

- i. Luedtke reports September profit \$6,080.54. Income down roughly \$18k from last year. Extra Sales Tax payment of \$9617 contributed to this (will use credit in October & will reflect in income next month.)
- ii. Bartenders are having a hard time assisting customers at the tables/patio. Luedtke is going to modify the bar to add a swinging door/trim on the south side of the counter for easy in/out access to the floor. Millner will do work in-house.
- iii. Bartenders are concerned about cook pay vs. bartender pay & would like their pay increased. Luedtke to draft proposal to council for future consideration.
- iv. Purchases/returns: Millner will return extra sound tiles to Menards. Would like to purchase additional TV for corner of bar.

d. Wyatt Lucht, Fire Chief, Fire & Rescue Department:

- i. Lucht reports there were 15 calls in September: 3 fire calls, 1 motor-vehicle, 11n medical/rescue, YTD, we've had 121 calls total; this time last year we had 113. A total of 111 hours were put in for August.
- ii. SCBA (self-contained breathing apparatus) need to be replaced. Six new ones required, approx. \$5000 each, which was budgeted for in FY24. Existing will be rotated to other trucks. *Motion by Morgan to purchase new SCBA equipment totaling \$30-\$35k. Second by Schaefer. All in favor. Motion carried.*
- iii. Next year, PPE gear will be needed.

- iv. City of Finlayson is hosting a meeting (chili feed) at the end of November for the townships that contract with FF&R for their fire protection.

e. Clerk/Treasurer Report:

- i. Working on updating internal controls to provide more detail and more transparency.
- ii. Working with Bar Manager to provide support and oversight on a weekly basis.
- iii. Projects: Updating all employee files to comply with requirements. Updating all City Ordinances in binder, in computer and online to reflect consistency.
- iv. City Hall is now recycling office paper, junk mail & newspaper at the Pine County North Pine recycling center.
- v. Table Talk Outreach ended their month-to-month contract on October 14. Letter of notice asked for refund for last half. *Motion by Auchter to reduce rent to \$100, refunding \$100 for October 2024. Second by Morgan. Motion carried.* Clerk will refund \$100.
- vi. Access to cameras at Muni is on-site only, cameras need to be upgraded as well. No return call from Collin at Cybert PC; clerk is seeding quotes elsewhere.
- vii. Feral cats continue to be a concern; clerk will draft letter to homeowner and will bring revision of animal ordinance to council in November.
- viii. A large amount of un-paid Fire Call invoices to customers remain “on the books.” Clerk will inquire about writing off balances older than 2020 and will resend notice and letter with instruction to all 2020 & newer invoices to attempt to collect, with the intent to assess unpaid bills to property taxes. Clerk will work with county auditor to do so.

f. Planning and Zoning Committee report by Auchter:

- i. The Committee met with the East Central Regional Development Association in September.
- ii. The Committee will continue to meet 2-3 times per month as they are working on the Community Survey through November.
- iii. Committee is condensing goals/zoning policies definitions (residential, rural residential, agricultural, etc.).

8. Ordinances & Resolutions: *Motion by Schaefer to adopt resolutions #20-#23. Second by Morgan. Motion carried.*

- a. Resolution #20 - \$500 Donation from Essentia Health for Finlayson Fire & Rescue
- b. Resolution #21 - \$500 Donation from Howie’s Mud Bog for Finlayson Fire & Rescue
- c. Resolution #22 - \$360 Donation from Ethan Bjorkland for Finlayson Fire & Rescue
- d. Resolution #23 – Policy to allow payment before Council authorization (in certain instances)
- e. Resolution #24 – See Old Business D.

9. Old Business:

- a. *Motion to accept bid of \$4177 for Variable Feed Drive unit (VFD) for the high service pump from Total Control (lowest bid and original installers) by Morgan. Second by Lucht. Motion carried.*
- b. Northern Contractors WAC/SAC – see new business “i.” Definition of WAC is “water access charges” and SAC is “sewer availability charges.” These charges cover the cost of building and maintaining the infrastructure, including the water tower, sewage ponds, and the infrastructure

that connects it all; they are more than just “hook-up fees.” See *New Business, item i for additional discussion.*

- c. Schaefer Memorial Park – tabled until 2/2025.
- d. Cannabis Law – Auchter discussed with city attorney and suggests we opt-into County ordinance. *Motion by Morgan, second by Schaefer to accept Resolution #24 delegating the registration of cannabis retail business to Pine County. Motion carried.*
- e. Bollig Engineering will hold an informational meeting on 12/9 at 5:30PM, allowing for one-hour prior to the regular council meeting. Clerk will post.
- f. Pine Co Opioid Settlement – tabled until November
- g. Sewer Rate Policy for irrigations & pools – tabled until November
- h. ESST / PTO Policy – tabled until November
- i. Creamery Building update: Pine County is doing another asbestos assessment as the 2nd floor and clarification of basement wasn’t included in 1st assessment. Discussion about possible demolition and DEED grants available if local businesses are interested in purchasing.
- j. Feral Cats continue to be a community concern and ordinance #32 does not specifically address feral cats. Clerk to draft letter to resident regarding the feeding of feral cats. Clerk will also post on social media as a reminder to all residents. Further discussion on revision of current ordinance #32 in future.
- k. Completed: Agenda items i, ii, iii and iv completed as listed.

10. New Business:

- a. **2023 Public Safety Aid** balance of \$3396 must be spent in 2024. Clerk will order speed bumps for ally to replace stolen ones. Additional options to include camera system upgrade.
- b. **Finlayson.gov web domain:** clerk will provide update in November once complete.
- c. **MN Unemployment Insurance credit balance of \$4,656.34:** clerk will request refund & deposit into bank account.
- d. **Table Talk Outreach** has moved out of City Hall office as of 10/14 officially & mentioned a partial month refund. *Motion by Auchter to reduce rent by ½ and refund \$100. Second by Morgan. All in favor. Motion carried.* Going forward, the City will clarify in it’s rental lease that there will be no refunding of unused days if the renter leaves prior the of their term.
- e. **Check Detail report:** recommendation by clerk to review Check Detail monthly rather than Vendors Payable and vendor claim sheets. This will be built into internal controls procedure and allows more transparency and aligns with accounting software.
- f. **Commercial vs. Residential water & sewer fees:** clerk inquired why companies who own apartment buildings are paying a residential rate for W/S rather than a commercial rate. Past practice is not consistent. Will review in future if/when rate fees are revised and address at that time.
- g. **Internal Controls revision:** clerk will continue to revise internal controls to include more transparency & detail, offering greater protection to the City. In place practices include Council financial reports/review, Resolution #23, and direct deposit.
- h. **Parking lot lease agreement for Liquor Store:** The City currently has no lease on file for the use of the parking lot.

- i. A lease was drafted and former mayor believed a signed copy was obtained, however it was not. It was the understanding of the then-mayor that a lifetime “lease” for the parking spaces to the West of the new bar (behind the old bar) was the intent.
 - ii. Approximately 18 months ago, Finlayson Properties asked the City’s insurance agent to be added as an additional insured for the parking lot, and the lease was mentioned at that time. The insurance agent requested a copy of the lease from Finlayson Properties & was told that it was still in the works, and the City was unaware of the request at that time.
 - iii. Once the City was made aware of the request, it was the understanding of the City that the intent was for Finlayson Properties to produce a signed copy of the lease, as the City had none on file. No action taken.
 - iv. Further concerns about federal parking space requirements were discussed as well as parking available to the Fire Hall in the event of fire runs / emergencies. This discussion carried into item “i.” No action taken.
- i. Subdevelopment on Broadway: Mayor Auchter provided a summary of discussions and information this far gathered from previous council members & the mayor:
- i. There is no recollection or documentation of the waiving of WAC/SAC fees
 - ii. The council intended this to be a cost-neutral project
 - iii. The council did not apply the City’s subdivision ordinance or zoning ordinances
 - iv. The subdivision started out as custom homes (first three) then spec homes were added
 - v. Finlayson Properties installed the water/sewer structure and roadway, at their own cost.
 - vi. Bolton Menk Engineering did State Permit work for the w/s infrastructure and the City paid \$8,000 in 12/2021.
 - vii. Typically, Development Agreements are put together to outline the owner’s obligations and requirements during and after construction, to memorialize specific terms and conditions of each project. In this case, a development agreement was not completed.
 - viii. Finlayson Properties put a non-exclusive public easement on the road (a continuation of the City’s road named “Broadway”). The City was not involved in this easement.
 - ix. Conflicting accounts around “ownership” of the road extension of Broadway; former mayor believes City accepted ownership and former council member recalled conversation about City “never” accepting ownership. There is no documentation of City acceptance of ownership of the road.
 - x. As it currently stands, the road is considered privately owned by the property owners and the City has no obligation or authority on the Broadway extension.

The City’s intent is to define who owns the road (extended beyond the City’s Broadway street), who owns the infrastructure, and to ensure existing ordinances are followed for future development opportunities. *Motion by Morgan to approve the City Attorney to consult with Finlayson Properties’ attorney to begin moving toward a resolution. Second by Auchter. Lucht and Schaefer abstained from voting. Motion carried.*

- j. Letters – reviewed by council

11. Miscellaneous announcements:

- a. Grading on Pine Lake Road was discussed. Services provided by Pine Lake Township, however they cannot grade on dry road and will need to wait for it to rain. Clerk will post “grading” post on social media to bring awareness to grading process.
- b. Concerned Citizens Meeting Group – held the 4th Wednesday of each month at the Wagner Township Town Hall at 7PM.
- c. Canvassing for election will need to be done after next election. Clerk to follow up with County.
- d. Next council meeting is set for 11/12/24, due to the Veteran’s Day holiday.

12. Adjournment. *A motion by Schaefer to adjourn an 9:12 p.m. Second by Morgan. All in favor. Motion carried.*

Respectfully Submitted,

Liz Kelly
City Clerk