

MINUTES
Regular Meeting of Lake Shore City Council
Monday, June 22, 2020
7:00 PM
Via – ZOOM Program Meeting ID 882 3370 6551

Mayor Kevin Egan called the June 22, 2020 Regular City Council meeting to order at 7:03 p.m. The Pledge of Allegiance was recited.

Electronically attending via ZOOM were: Mayor Kevin Egan. Council members: Wayne Anderson, Krista Knudsen and Doug Miller. City Attorney Dan Hawley; City Engineer Dave Reese; City Administrator/Planning and Zoning Administrator Teri Hastings; Police Chief Steve Sundstrom; City Clerk Patti McDonald and Pineandlakes Echo Journal Reporter Dan Determan. Council Member John Terwilliger was absent. A quorum was present and the City Council was competent to conduct business.

Guests Electronically attending included: Todd Hagen of Ehlers Public Finance Advisors; Deb and Ron Peters.

APPROVAL OF MINUTES

MOTION BY DOUG MILLER TO APPROVE THE MAY 26, 2020 REGULAR CITY COUNCIL MINUTES AS PRESENTED. WAYNE ANDERSON SECONDED THE MOTION. ROLL CALL VOTE PASSED UNANIMOUSLY.

REPORTS

Police Report – Officer Steve Sundstrom

Incident Report – In May 2020 there were 84 incidents in the City. There were 46 traffic-related incidents and 38 were miscellaneous department activity. May was still quiet.

Mayor’s Report– Kevin Egan commented that earlier today the city had a very good effort selling bonds at a favorable rate which will be acted on further down the agenda.

Clerk/Treasurer’s Report – Patti McDonald

Financials – MOTION BY DOUG MILLER TO APPROVE THE MAY FINANCIALS AS PRESENTED (CLAIM NUMBERS 38323 THROUGH 38378 – TOTAL \$140,254.65). KRISTA KNUDSEN SECONDED THE MOTION. ROLL CALL VOTE PASSED UNANIMOUSLY.

Pay Bills – MOTION BY DOUG MILLER TO PAY THE BILLS AS SUBMITTED (CLAIM NUMBERS 38376 THROUGH 38457 – TOTAL \$78,293.24). KRISTA KNUDSEN SECONDED THE MOTION. ROLL CALL VOTE PASSED UNANIMOUSLY.

City Administrator/Planning & Zoning Administrator – Teri Hastings

Waiver of Tort Liability – Our insurance carrier is requesting that the City Council act annually on whether or not it would like to waive tort liability limits.

MOTION BY KRISTA KNUDSEN TO NOT WAIVE THE STATUTORY TORT LIABILITY COVERAGE LIMIT AND SUBMIT THE PROPER WAIVER FORM TO THE LEAGUE OF

MINNESOTA CITIES INSURANCE TRUST. DOUG MILLER SECONDED THE MOTION. ROLL CALL VOTE PASSED UNANIMOUSLY.

Annual Population and Household Estimates – The 2019 Population Estimate from the state demographer’s office – estimated population as of April 1, 2019 is 1,072. The 2018 population estimate was 1,067. Lake Shore’s April 1, 2019 household estimate is 489. Lake Shore is still the most populated city in Cass County.

Final Plat – Hendrickson Addition to Lake Shore – The applicant, Robert Hendrickson and siblings, is submitting the Final Plat of Hendrickson Addition to Lake Shore which consists of six residential lots. Two lake lots and four off water lots. The property is located off of County 29 and Upper Roy Lake Road and does not have any public improvements.

There are no proposed covenants for this plat.

The Cass County Highway Engineer has no further comments regarding driveway location.

A satisfactory title opinion has been completed.

The park dedication fee has been paid (\$1250).

Professional fees will need to be reimbursed to the city (city attorney and city engineer) before the final plat is signed. A total for these fees has not been submitted to the applicant.

Easements for the driveway on Lots 1 and 2, Block 3 are in progress and are expected to be completed by the time the final plat is ready to be signed.

The independent plat check is required and is in progress. A copy of the plat check should be given to the city prior to the plat being signed.

STAFF RECOMMENDATION:

The Planning Commission is recommending final approval of the plat provided all items are completed satisfactorily prior to signing the final plat. The plat cannot be recorded without city signatures and staff does not anticipate any issues in regards to the items that need to be completed.

MOTION BY WAYNE ANDERSON TO APPROVE THE FINAL PLAT OF THE HENDRICKSON ADDITION TO LAKE SHORE PROVIDED ALL ITEMS ARE COMPLETED SATISFACTORILY PRIOR TO SIGNING THE FINAL PLAT. DOUG MILLER SECONDED THE MOTION. ROLL CALL VOTE PASSED UNANIMOUSLY.

COVID-19 Preparedness Plan – Under Governor Walz’s executing Order 20-74 released June 5th, the critical business sector including government entities like cities are required to adopt a COVID-19 Preparedness Plan. The Mayor commented that the city may continue to meet via ZOOM for the time being.

MOTION BY DOUG MILLER TO ADOPT THE COVID-19 PREPAREDNESS PLAN AS PRESENTED. WAYNE ANDERSON SECONDED THE MOTION. ROLL CALL VOTE PASSED UNANIMOUSLY.

May Minutes and Permit Summary – Teri included the May minutes and permit summary for review.

Wastewater/Road Committee – Wayne Anderson said the committee met telephonically in June.

Appointment of Jim Halverson – Jim Halverson has submitted a committee application expressing an interest to serve on the Wastewater/Road Committee.

MOTION BY KRISTA KNUDSEN TO APPOINT JIM HALVERSON TO THE LAKE SHORE WASTEWATER/ROAD COMMITTEE AS AN ALTERNATE. DOUG MILLER SECONDED THE MOTION. ROLL CALL VOTE PASSED UNANIMOUSLY.

Wastewater Monthly Report – PRASD – The operations report for June was included for review.

May Minutes – The May minutes were included for review.

Park and Recreation Committee – Krista Knudsen said the committee didn't meet in June.

Trail Grant Award Letter – Krista reported a letter was received informing the City that the application for the 2020 Federal Recreational Trail Program was selected for funding. The reimbursement grant in the amount of \$142,500 will be established contingent upon final process of the application. Teri said this can be used for matching funds for the Legacy Grant. Kevin commented there is Thistle growing along the trail that should be removed. Teri will ask Public Works to check/remove for the Thistle.

Environmental Committee – Doug Miller said the committee didn't meet in June.

Trail 77 –

Resolution/Memorandum of Agreement – Legacy Submission 2020 – This resolution is a memorandum of understanding which memorializes the current status of Lake Shore, which has applied for a grant from the Greater Minnesota Regional Parks and Trails Commission as a designated regional park or trail.

MOTION BY DOUG MILLER TO APPROVE RESOLUTION 2020-06-01, A RESOLUTION APPROVING MEMORANDUM AGREEMENT FOR THE CITY OF LAKE SHORE. KRISTA KNUDSEN SECONDED THE MOTION. ROLL CALL VOTE PASSED UNANIMOUSLY.

Personnel – Kevin Egan/Doug Miller – There was no personnel business.

City Attorney – Gammello - Pearson – Dan Hawley – Nothing to report.

City Engineer – Widseth Smith Nolting – Dave Reese – Nothing to report.

OLD BUSINESS –

Reduction of Liquor License Fees – Last month, staff was directed to look into reducing the 2020 liquor license fees due to COVID-19. Lake Shore's fee for an on-sale license is \$1,750.00 which equates to approximately \$145 per month. The City has five liquor license establishments (Bar Harbor, Cowboy's, Lost Lake Lodge, Sherwood Forest and Zorbaz). Below is summary of what surrounding communities have done to their liquor license fees.

- Crosslake: Considering a reduction-no decision on how much
- Nisswa: Reduction of 4 months
- Pequot Lakes: 50% reduction
- Brainerd: 50% reduction
- East Gull Lake: No reduction
- Crow Wing County: Reduction of 4 months

MOTION BY DOUG MILLER TO APPROVE A 50% REIMBURSEMENT FOR THE CITY OF LAKE SHORE LIQUOR LICENSE HOLDERS. WAYNE ANDERSON SECONDED THE MOTION. ROLL CALL VOTE PASSED WITH KRISTA KNUDSEN RECUSING HERSELF FROM THE ACTION.

NEW BUSINESS –

Resolution 2020-06-02 Adoption of Post-Issuance Debt Compliance Policy and Post-Issuance Debt Compliance Procedures – The Mayor asked Todd Hagen of Ehlers to go over the bond sale. Todd said that it is a very good time to bond during the pandemic as the interest rates are low. He summarized the sale day report saying that S&P Global Ratings assigned the City on the higher end of the AA- credit rate category which saves the City a lot of money, meaning the higher the rating the lower the interest rates. He said the City falls into the same category as larger cities with the AA rating. There were 5 bids and Northland Securities came in with a 1.44% true interest cost. The total interest savings between the high and the low bid was \$50,218.00. In the end, Northland gave us too much money, meaning more than the City needed, so the premium will be deducted from the total sale; the principal amount is \$1,945,000.

MOTION BY DOUG MILLER TO APPROVE RESOLUTION 2020-06-02 A RESOLUTION TO ADOPT A POST-ISSUANCE DEBT COMPLIANCE POLICY AND POST-ISSUANCE DEBT COMPLIANCE PROCEDURES. WAYNE ANDERSON SECONDED THE MOTION. ROLL CALL VOTE PASSED UNANIMOUSLY.

Resolution 2020-06-03 Awarding Sale of G.O. Tax Abatement Bonds, Series A in Amount of \$1,945,000 – The bond will close on July 15th with a positive outcome of the resolution. Todd Hagen thanked all that worked on preparing the information needed for the S&P bond rating. The Mayor also thanked Todd, Teri, Patti and the group of people in attendance saying we have a well governed, gently growing, wealthy community that has been lumped with bigger communities of similar stature and it's going to save our residents some money.

MOTION BY DOUG MILLER TO ADOPT RESOLUTION 2020-06-03 A RESOLUTION AWARDED SALE OF G.O. TAX ABATEMENT BONDS, SERIES A IN THE AMOUNT OF \$1,945,000. KRISTA KNUDSEN SECONDED THE MOTION. ROLL CALL VOTE PASSED UNANIMOUSLY.

ANNOUNCEMENTS –

- Household Hazardous Waste Collection at Lake Shore City Hall – Thurs., June 25th from 1 p.m. to 4 p.m.
- Zorbaz/Bar Harbor – July 4th Fireworks

Zoom guests Deb and Ron Peters had no comments or concerns.

MOTION BY DOUG MILLER TO ADJOURN THE REGULAR CITY COUNCIL MEETING VIA ZOOM OF JUNE 22, 2020 AT 7:32 PM. KRISTA KNUDSEN SECONDED THE MOTION. ROLL CALL VOTE PASSED UNANIMOUSLY.

Transcribed by Patti McDonald
Lake Shore City Clerk