

**MINUTES**  
**Regular Meeting of Lake Shore City Council**  
**Monday, June 28, 2021**  
**7:00 PM Lake Shore City Hall**

Mayor Krista Knudsen called the June 28, 2021 Regular City Council meeting to order at 7:00 p.m. The Pledge of Allegiance was recited.

**Roll Call:** Mayor Krista Knudsen. Council members present: Wayne Anderson, John Terwilliger and Doug Miller. City Attorney Dan Hawley; City Engineer Dave Reese; City Administrator/Planning Zoning Administrator Teri Hastings; Police Chief Steve Sundstrom and City Clerk Patti McDonald were present. Council member Henry Cote was absent. There were 3 people in the audience including Nancy Vogt, Pineandlakes Echo Journal Editor. A quorum was present and the City Council was competent to conduct business.

**GUEST:** Mike Paulus, Cass County Economic Development Corp. – Mike introduced himself sharing that the EDC is an independent entity supported by its members. He went over the letter that was included in the council packet regarding their COVID 19 funding response. They serve people through referrals. Teri asked about a situation where the physical business is in Crow Wing County; however, the business address is in Cass County. Mike said he will work with businesses in this situation. He thanked the council for their continued support.

**APPROVAL OF MINUTES**

MOTION BY DOUG MILLER TO APPROVE THE MAY 24, 2021 REGULAR CITY COUNCIL MINUTES AS PRESENTED. JOHN TERWILLIGER SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

**REPORTS**

**Police Report** – Officer Steve Sundstrom

Resolution 2021-06-01 BCA Joint Powers Agreement – A Resolution to approve State of Minnesota Joint Powers Agreements with the City of Lake Shore on behalf of its Police Department was presented to the City Council. This was last updated in 2012.

MOTION BY JOHN TERWILLIGER TO APPROVE RESOLUTION 2021-06-01 A RESOLUTION TO APPROVE STATE OF MINNESOTA JOINT POWERS AGREEMENTS WITH THE CITY OF LAKE SHORE ON BEHALF OF ITS POLICE DEPARTMENT. DOUG MILLER SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

Incident Report – In May 2021 there were 179 incidents in the city. There were 126 traffic-related incidents and 53 were miscellaneous department activity. Steve said it is a typical May.

**Mayor's Report** – Krista Knudsen recognized the McClintick family property that was featured in 'Love the Lakes' publication that is inserted into the Brainerd Dispatch. In July, they are celebrating 100 years on the property.

**Clerk/Treasurer's Report** – Patti McDonald

Financials – MOTION BY DOUG MILLER TO APPROVE THE MAY FINANCIALS AS PRESENTED (CLAIM NUMBERS 39186 THROUGH 39264 – TOTAL \$89,456.08). WAYNE ANDERSON SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

Pay Bills – MOTION BY DOUG MILLER TO PAY THE BILLS AS SUBMITTED (CLAIM NUMBERS 39265 THROUGH 39325 – TOTAL \$71,522.63). WAYNE ANDERSON SECONDED THE MOTION. MOTION 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 JOHN TERWILLIGER 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. MOTION PASSED UNANIMOUSLY.

Resolution 2021-06-02 A Resolution to Accept Funds Under the American Rescue Plan Act – A Resolution to accept the Corona Virus local fiscal recovery fund established under the American Recue Plan Act was presented to the City Council.

MOTION BY DOUG MILLER TO APPROVE RESOLUTION 2021-06-02 A RESOLUTION TO ACCEPT FUNDS UNDER THE AMERICAN RESCUE PLAN ACT. JOHN TERWILLIGER SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

Rezone/Preliminary Plat Agate Woods Addition – Teri reviewed the staff report that included a recommendation from the action taken at the Board of Adjustment/Planning Commission meeting on June 14<sup>th</sup>. STAFF RECOMMENDATION – The Planning Commission recommended approval of the rezoning request and the Preliminary Plat contingent upon staff report items 11) A stormwater plan or erosion control plan for the proposed development has not been submitted; however, the Planning Commission did make this a condition of preliminary approval; and, (*Items 14-17, referenced in staff recommendation*) 14) A satisfactory title opinion is needed (approved by the City Attorney); 15) An independent plat check is required for the plat (prior to signing the final plat); 16) The developer is required to pay all professional costs incurred for the development (must be paid prior to the city signing the final plat); and, 17) A park dedication is required for the plat. Based on the plat, a cash payment in lieu of land is recommended (\$250 per lot). This must be paid prior to the city signing the final plat. These items must be completed prior to the signing of the final plat. The rezoning of the southwest portion of the plat from WR to R1 is consistent with the Comprehensive Plan and the Preliminary Plat of Agate Woods Addition is in compliance with the city subdivision ordinance.

The Planning Commission received several letters (included in the packet and on file at city hall) in opposition to the rezoning and plat along with quite a few residents in attendance that were opposed or expressed concern about the development.

Teri's staff report indicated that this would not be spot zoning as there is low density residential to the south and west; also, adjacent to the property is neighborhood commercial. She reread portions of the Comprehensive Plan to show this is an orderly request for rezoning and development.

The mayor said the Council should discuss each of the items considered for rezoning a parcel indicated by the city attorney. Will this rezoning affect public health, will it affect public safety, will it affect morals, will it affect the general welfare of the area and will this rezoning remain consistent or inconsistent with the City of Lake Shore's Comprehensive Plan?

John Terwilliger asked Teri to share the discussion at the Planning and Zoning meeting indicating that if the rezoning doesn't pass, the residential property could support more lots than being proposed in this preliminary plat.

Teri answered, the almost 12 acres of low density residential property, if worked out completely, could be split into between 11 and 12 lots; however, a road would have to be provided; therefore, there could potentially be 10 lots, plus one wooded residential lot for a total of 11 lots. She also pointed out that low density is more restrictive than wooded residential, so there is the potential for clear cutting if the property were to remain wood residential. That was one of the points of contention brought up during the P&Z meeting that there would be too much clearing of trees and lost vegetation with this development.

John asked if the rezoning is passed, is there a guarantee that they would stick with this plan.

Teri answered that the Planning Commission recommended that a condition of the Preliminary Plat approval will include no further subdivision of the property.

The council went through considerations for rezoning individually with John Terwilliger stating that this rezoning will result in more restrictive vegetation removal. It is not spot zoning as there is neighborhood commercial on one side and it abuts low density residential. It fits with the Comprehensive Plan protecting the city's investments and high quality of life in Lake Shore. He followed, this plat and this rezoning supports growth patterns that reinforce lake oriented and rural development. The development is efficient, orderly and environmentally sensitive and fiscally responsible. There will be no conflict with the subject property and the surrounding property. The roads are already established and there is good visibility for public safety. This rezoning will not affect the public health. He said that at the P&Z meeting there was concern with the Pebble Beach Road area and feels this is far enough from the area not to be a problem. Krista added if this remains wooded residential, this could be clear cut which could lead to a drainage issue.

MOTION BY JOHN TERWILLIGER TO APPROVE THE REZONING OF THE AGATE WOODS ADDITION BASED ON THE FINDINGS THAT THE REZONING WILL RESULT IN A MORE RESTRICTIVE USE FOR VEGETATION REMOVAL WITH LESS IMPACT ON DRAINAGE. IT IS NOT SPOT ZONING AND IT ABUTS NEIGHBORHOOD COMMERCIAL AND R1; IT FITS WITHIN THE COMPREHENSIVE PLAN. THE REZONING SUPPORTS ORDERLY AND FISCALLY RESPONSIBLE PLANNING. THERE IS NO CONFLICT WITH THE SURROUNDING PROPERTY, THE ROADS ARE ALREADY ESTABLISHED, THERE IS GOOD VISIBILITY FOR PUBLIC SAFETY AND IT WILL NOT AFFECT PUBLIC HEALTH. WAYNE ANDERSON SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

Teri reviewed the Preliminary Plat proposed of 6 residential lots and the items on her staff report including the conditions of the preliminary plat as recommended by the Planning Commission, one of which is a stormwater and erosion control plan. The Commission also conditioned that the plat includes the language that it cannot be further subdivided.

Jim Kramer explained the covenants and the restrictions described in the Planning Commission's recommendation which were conditioned to be added as covenants on the final plat.

Krista went over the considerations for Preliminary Plat approval. Is the property properly zoned? The rezoning was approved. Does the proposal conform to the requirements of the Zoning Ordinance? Krista said that it does and it exceeds them. Does the proposal conform to the requirements of the Subdivision Ordinance? She answered that it does. Have concerns for how it would affect agencies been addressed? Teri said that the DNR was notified as the proposal is within 1000 feet of the lake and they didn't reply with any comments for the proposed plat. Is the preliminary plat consistent or inconsistent with the City of Lake Shore Comprehensive Plan? Krista said that, it is consistent, as discussed with the rezoning.

Wayne asked about Lot 2 being the smaller of the lots. Jim explained it was the configuration of the plat; however, the lot does exceed the lot requirements. Krista reiterated this is a generous plat as this could potentially have been 10 to 12 lots.

Doug commented that there was much discussion by the Planning Commission and feels that if the staff and Planning Commission recommend the approval, he is satisfied with the approving the Preliminary Plat.

MOTION BY DOUG MILLER TO APPROVE THE PRELIMINARY PLAT OF THE AGATE WOODS ADDITION BASED ON THE FINDINGS DISCUSSED INCLUDING THE RECOMMENDED ITEMS OF 14) A SATISFACTORY TITLE OPINION IS NEEDED (APPROVED BY THE CITY ATTORNEY); 15) AN INDEPENDENT PLAT CHECK IS REQUIRED FOR THE PLAT (PRIOR TO SIGNING THE FINAL PLAT); 16) THE DEVELOPER IS REQUIRED TO PAY ALL PROFESSIONAL COSTS INCURRED FOR THE DEVELOPMENT (MUST BE PAID PRIOR TO THE CITY SIGNING THE FINAL PLAT); AND, 17) A PARK DEDICATION IS REQUIRED FOR THE PLAT. BASED ON THE PLAT, A CASH PAYMENT IN LIEU OF LAND IS RECOMMENDED (\$250 PER LOT). THIS MUST BE PAID PRIOR TO THE CITY SIGNING THE FINAL PLAT. THESE ITEMS MUST BE COMPLETED PRIOR TO THE SIGNING OF THE FINAL PLAT. WAYNE ANDERSON SECONDED THE MOTION. MOTION 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 didn't meet in June. He said the cracksealing is complete. The calcium chloride will take place after the grading of the roads can be done.

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

**Park and Recreation Committee** – Henry Cote was absent. – The Park and Recreation committee didn't meet in June.

**Environmental Committee** – Doug Miller reported there was no meeting in June.

**Trail 77** – Teri said the archeological survey should take place tomorrow, June 29<sup>th</sup>.

**Personnel** – Krista Knudsen/Doug Miller – There was no personnel business.

**City Attorney** – Gammello - Pearson – Dan Hawley had nothing to report.

**City Engineer** – Widseth – Dave Reese nothing to report.

**OLD BUSINESS** – There was no old business.

**NEW BUSINESS** – Steve Sundstrom said Shawn Hansen let him know this afternoon that the Nisswa Lion's Club donated \$2,229.64 to the Lake Shore Police Department to replace two in squad laptop computers.

DOUG MILLER TO ACCEPT A DONATION OF \$2,229.64 FROM THE NISSWA LION'S CLUB TO REPLACE TWO IN SQUAD LAPTOP COMPUTERS. WAYNE ANDERSON SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

**ANNOUNCEMENTS/PUBLIC FORUM** – Zorbaz/Bar Harbor 4<sup>th</sup> of July fireworks.

MOTION BY DOUG MILLER TO ADJOURN THE REGULAR CITY COUNCIL MEETING OF JUNE 28, 2021 AT 7:36 PM. WAYNE ANDERSON SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

Transcribed by Patti McDonald  
Lake Shore City Clerk