

MINUTES OF THE JOINT PROCTOR ECONOMIC DEVELOPMENT AUTHORITY (PEDA)/PROCTOR CITY COUNCIL MEETING OF Monday, February 3, 2020

Meeting was called to order by Mayor Ward at 6:00 p.m.

Meeting was called to order by PEDA Chair, Eric Madson at 6:01 p.m.

MEMBERS PRESENT: Chad Ward, Troy DeWall, Gary Nowak, Rory Johnson and Jake Benson.
PEDA MEMBERS PRESENT: Carol Lind, Eric Madson, Jim Schwarzbauer, Mayor Ward Absent: Wayne Pulford

OTHERS PRESENT: Jim Aird, Peggy Vanderscheuren, Acting City Administrator Noelle Lent, Megan Jordan, Kent Gaidis, City Attorney Bray, Ted Kiefat, Lowell Harnell, Chris Klatte, Matt Bolf, Mike Larson from SEH, and Tom Denaway from Bakertilly.

Motion by DeWall, seconded by Johnson and carried (5-0) to approve the City Council minutes from Monday, January 21, 2020 with corrections: add the amount of \$1,725.00 to item 6B Proctor Fire Department 2019 donations.

Motion by DeWall, seconded by Johnson and carried (5-0) to approve the agenda of Monday, February 3, 2020 with the additions of the following items:

6 N. City Administrator Interim

6 O. Finance Director Posting

6 P. Federal Recreation Trail Grant

COMMENTS AND SUGGESTIONS FROM CITIZENS PRESENT:

Harnell – 324 Grove St.

Harnell spoke on the additions of short-term rentals in zones R-3 and above. He referenced a section in City Code that defines “tourist homes” allowed in zones R-3 and above and stated that the ordinance was discussed at the last Planning & Zoning meeting.

Jim Schwarzbauer spoke on behalf of the museum stating the monthly loan repayment amount to the city was approved to \$400.00 through June. He also gave an update on the success of the 225 Club, and the grant received for elevator installation for ADA compliance. He also stated the overall success of the museum and the work being done there.

Motion by Benson, second by Nowak and carried (5-0) to suspend the regular City Council meeting and go to agenda item 6A.

6 A. Bakertilly Presentation

Tom Denaway from Bakertilly presented on setting up a TIF (Tax Increment Financing) District. This was an informational item that gave an overview of the process, the timeline for occurrence, the impact on taxes, and what projects can be financed. A question and answer section was held afterwards with both council members and audience members participating.

Motion by Schwarzbauer, seconded by Lind and carried (4-0) to adjourn the PEDA meeting at 6:55 p.m.

Motion by Johnson, seconded by Benson and carried (5-0) to approve the consent agenda with items #2 and #4A being pulled for discussion, along with Councilor Benson adding to item #1 as communications.

CONSENT AGENDA

*1 COMMUNICATIONS

Councilor Benson received a letter from the January 15th, 2020 meeting of the Proctor Fair Board, requesting the City of Proctor to annex 40 acres of property at the fairgrounds.

*2 PLANING & ZONING DEPARTMENT MATTER

2205 Venice St – a request to divide parcel into thirds was submitted to Planning & Zoning. The parcel split complies with all city requirements and was approved at the January 27, 2020 Planning & Zoning Meeting.

Motion by Benson, seconded by DeWall and carried (5-0) to approve parcel split at 2205 Venice St.

*4 COMMITTEE REPORTS

A. Tourism Minutes

Nowak questions Benson why the minutes state that the, “City and Council did not support a recent resolution he brought to Council that would have helped bring new trails to Proctor.” Discussion follows over the voting of the motions pertaining to the resolutions brought before Council.

6. NEW BUSINESS

B. SEH Bonding Bill

Matt Bolf and Mike Larson from SEH gave a summary of the bonding proposal submitted and the process of the bonding bill session. They stated that there is not a guarantee of receiving funding for the project of a new City Hall/Community Center and Public Works Maintenance & Sand/Salt Storage Buildings, but that the City of Proctor may be invited to present on the project in St. Paul. The total cost for the project is estimated at \$12 million dollars of which (if approved) the State would fund half. The preliminary location of the project is adjacent to the Proctor Fairgrounds. Discussion and questions follow regarding meeting with the Proctor Fair Board should the project progress.

Motion by Benson, seconded by DeWall and carried (5-0) to suspend the regular City Council agenda and move to item 6M: Amendments to Short Term Vacation Rental Ordinance.

M. Amendments to Short Term Vacation Rental Ordinance

Proposed amendments to the ordinance include:

Amendment 1 – Section 4: License Required

Amendment 2 – Section 13: Responsibility to owners

Amendment 3 – Section 17: Zoning

Amendment 4: New section added: Language addressing commercial use class.

Discussion follows with the possibility of using commercial tax rates, long term vs. short term and how to tax accordingly. Attorney Bray clarifies and suggests drafting language to bring to the next city council meeting. Taking amendments into consideration. It is also discussed to add the recommendation of allowing short term rental properties in zones R-3 and to send that recommendation to Planning & Zoning for approval.

Motion by Ward, seconded by Johnson and carried (5-0) to send recommendation for amendments to short term rental ordinance to Planning & Zoning Commission.

C. Duluth Ice Dam Bid

Per recommendation from The League of Minnesota Cities, a bid from a snow removal company was needed to estimate the costs of removing snow from the roof of the building using aerial equipment. Discussion follows referencing insurance coverage, the costs accrued with snow removal, and the current process.

Motion by Nowak, seconded by DeWall and carried (4-0 Benson abstained) to continue to have snow removed as previously completed.

D. Ziegler Skid Steer Purchase

This equipment purchase was approved during the 2020 budget meetings that took place in the fall of 2019. One half of the purchase amount is being paid out of the sewer fund.

Motion by Nowak, seconded by Johnson and carried (5-0) to accept the purchase agreement from Ziegler in the amount of \$51,721.00.

E. Resolution 07-20 Crack Seal Participation Program

Motion by Johnson, seconded by DeWall and carried (5-0) to participate in the St. Louis County crack seal program.

F. Committee/Commission Appointments for 2020

All committees and commissions have held the first meeting of the year. Position appointments within the committees and commissions require Council approval.

Motion by Johnson, seconded by Ward and carried (5-0) to approve the committee/commission appointments for 2020.

G. Police Civil Service Commission re-appointment

A written request was received from Diane Giuliani to remain on Police Civil Service Commission. Nowak clarifies length of term as three-year appointments.

Motion by Johnson, seconded by DeWall and carried (5-0) to approve the re-appointment for Diane Giuliani.

H. United States Air Force 2020 Loan Renewal

This renewal is submitted annually for the fighter jet on display in Proctor. Ted Kiefat will take the required pictures and copy them to a CD to submit along with the application. Discussion clarifies the maintenance performed on the jet is completed by the 148th here in Duluth.

Motion by Benson, seconded by Johnson and carried (5-0) to approve the United States Air Force 2020 loan renewal.

I. United States Census

Mayor Ward received a map and paperwork to verify the boundaries of Proctor for the 2020 census completion.

Motion by Johnson, seconded by Benson and carried (5-0) to have City Staff submit corrected boundaries to Census Bureau.

Motion by DeWall, seconded by Johnson and carried (4-1 Benson voting no) to suspend regular city council meeting and open closed session under MN Statutes Ch 13D Attorney-Client Privilege at 8:03 p.m.

LABOR AND NEGOTIATIONS ISSUED – PER MN STATUTES 13D Closed Meeting

Motion by Johnson, seconded by DeWall and carried (5-0) to have Attorney Bray review the deed of the golf course.

Motion by Nowak, seconded by DeWall and carried (5-0) to accept the Golf Course and Maintenance agreement.

J. Resolution 05-20 Extend Local Sales Tax

Motion failed due to lack of a motion and second.

K. Resolution 06-20 Impose a Local Sales Tax

Discussion to increase sales tax with more business and utilize this as part of funding the bonding proposal.

Motion by Ward, seconded by Benson and carried (4-1 Nowak voting no) to have City Hall staff spend minimal time entering data and Councilor Benson edit current language to reflect current project and resubmit to Council.

L. Proctor Area Community Center Improvements and Lake Superior Basin Waterways Environmental Corrections and Munger Trail Extension

Motion by Ward, seconded by Johnson and carried (5-0) to table this item, have Councilman Benson correct numbers and return to Council.

N. City Administrator Interim Hiring

Benson received a resume for a candidate interested in the interim City Administrator position. Discussion follows, this item moved to be addressed during closed session.

O. Finance Director Job Posting

Benson states that the open position for the Finance Director was not published in the Proctor Journal and questions the reasoning for this. Discussion follows stating that the position was posted on the websites in accordance with past openings.

Motion by Ward, no second, motion to advertise Finance Director position on The League of Minnesota Cities website and the Proctor Journal fails due to lack of support.

P. Recreational Trail Grant – Informational only. No action taken.

Motion by Johnson, seconded by Nowak and carried (4-1 Benson voting no) to close the regular city council meeting and open closed session under MN Statutes Ch 13D.05 Sub. 3 Labor and Negotiations at 8:47 p.m.

Motion by Nowak, seconded by Ward and carried (5-0) to re-open the regular City Council meeting at 9:55 p.m.

Motion by Johnson, seconded by DeWall and carried (5-0) to accept the tentative agreement with United Food and Clerical Workers Local 1189.

Motion by Johnson, seconded by Ward and carried (5-0) to accept the part-time employment agreement between The City of Proctor, Public Utilities Commission and Noelle Lent.

Motion by Nowak, seconded by Benson and carried (5-0) to accept the agreement with the City of Proctor and Jay Boysen, Building Inspector.

Motion by Nowak, seconded by DeWall and carried (5-0) to approve the personnel committee to conduct a job review.

Motion by Nowak, seconded by Ward and carried (5-0) to approve the negotiation committee to enter an agreement with labor law council.

Motion by Johnson, seconded by DeWall and carried (5-0) to schedule a joint meeting with the Police Civil Service Commission and City Council.

MEMBERS CONCERNS:

Benson: None

DeWall: Fire Department Chief Helquist approved a \$600 purchase for grant writing services to apply for funding from FEMA for equipment.

Nowak: None

Johnson: Suggests scheduling a special meeting to discuss staffing at City Hall.

Motion by Ward, seconded by Johnson and carried (4-1 Nowak voting no) to schedule a Special City Council meeting for Friday, February 7, 2020 at 3:30 p.m.

Ward: ALS Blizzard Tour was a success. Delivered the proclamation.

Assistant Administrator: None

BILLS FOR APPROVAL:

General Bills: \$93,327.36

Liquor: \$18,155.61

Total: \$111,482.97

Motion by Johnson, seconded by Nowak and carried (5-0) to approve the bills as submitted.

Motion by DeWall, seconded by Nowak and carried (5-0) to adjourn the City Council meeting at 10:11 p.m.

Chad Ward, Mayor

Assistant Administrator