



FRAZEE CITY COUNCIL

Meeting Minutes
February 10th, 2020

City of Frazee Public Hearing on Profit/Loss Reported for 2018 of the Frazee Municipal On/Off Sale Enterprise

Mayor Miosek called the Public Hearing to Order at 6:01 p.m.

Council Members Present: Ken Miosek, Mike Sharp, Nicole Strand, Mark Kemper and Mark Flemmer

Also, present: Tom Winters/City Attorney, Kris Carlson/City Engineer, Tom Pace/MN DOT, Jason McCoy/Partnership 4 Health, Larry Stephenson/Public Works Supervisor, Police Chief Tyler Trieglaff, Fire Chief Joe Nelson, Denise Anderson/Administrator, Barbie Porter and Thaddeus Helmers

Anderson compiled a packet for Council to review which consisted of 2017 & 2018 Audit reports and Asyst financial reports. There was a discussion of the findings and how the inventories were reported. She also stated that she reviewed the 2016 Liquor Store Study and discovered that the projected sales for 2019 were exceeded. Anderson stated that for the month of January even with large expenses paid out they are showing a small profit. She also stated that the employees have worked together to rebounded from cash deficits due to management expenses and days of slow sales periods. Anderson did state that there are still options to decrease the open hours of the establishment such as remaining closed on Mondays which is typically a slow day.

Kemper explained the concept that the Auditor uses for assets (high inventory count) and losses (liability) due to the sales of dropping inventory.

Flemmer stated that the Frazee Liquor Store has been ranked the worst liquor store in the entire State, that there were two other cities that did worse, but they closed. Menahga is about the same size as Frazee and they had a \$60,000 profit. Flemmer also stated the cost of goods is lower than the Minnesota average so our cost of goods is priced too low. He offered three different solutions for the rest of the Council members to consider. The Council had discussions regarding options of closing the on sale and keeping the off sale open with possible expansion of the off-sale area and how that decision may affect the on-sale rights for the Event Center. Also, a need to reach out to MMBA for their review and advise, looking at an appropriate inventory software system and if they are serious about food sales the need for an improved kitchen facility. Kemper expressed his desire for a grill and a fryer and weighed in on the pros and cons. Strand agreed with Kemper and felt such a change would recoup the cost back quickly. Sharp inquired about

assistance from the MMBA and that he would like to hear from other municipalities as he has questions. Miosek read an email set to Council and stated that the taxpayers of Frazee have not contributed any tax dollars to keep the Liquor Store in operation, it is an enterprise fund and must support itself. Flemmer stated that he will contact the MMBA. Being no further comments or discussions Miosek closed the Public Hearing on Profit/Loss Reported for 2018 of the Frazee Municipal On/Off Sale Enterprise at 6:35 p.m.

Regular Council Meeting

Mayor Miosek Called the meeting to order at 6:35 p.m.

Open Forum – Thaddeus Helmers/Cancer Walk on May 7, 2020

Mr. Helmers said he is the owner of the Standby Me Youth Foundation and on May 7th he would like to have a light up the night event which will start at Essentia down main street turn by the bank a block and return to Essentia. Along the path he would like to place memorials which can be lit for Frazee residents who have died from cancer. Stephenson said that main Street lights can be turned off for the event. Chief Trieglaff feels there is plenty of time to plan for the event and doesn't anticipate any complications.

Miosek thanked Helmers for addressing the Council and sharing his event.

Consent Agenda

Minutes – 1/13/2019 Public Hearing on Ordinance 155

1/13/2019 Regular Meeting Minutes

Approval of Claims

Review of City Cash Accounts

A motion to approve the consent agenda was made by Sharp, seconded by Strand. All in favor, motion carried.

New Business

Ordinance #155 - which will repeal and replace Title 3, Chapter 6 (Tobacco Product Sales) of the Frazee City Code.

Flemmer asked if the local business owners who expressed concern had been contacted. Anderson stated that one person had concerns and those concerns had been addressed and consulted with the City attorney for legal opinion. A motion to accept and approve Ordinance No. 155 was made by Kemper, seconded by Strand. All in favor, motion carried.

Resolution 0210-20A – A Resolution for Trail Development for the Completion of the Heartland Trail Extension Between Detroit Lakes and Frazee.

A motion to approve resolution 0210-20A was made by Sharp, seconded by Strand. All in favor, motion carried.

Resolution 0210-20B – A Resolution Authorizing Summary Publication of Ordinance No. 155 Which Amends Title 3, Chapter 6 (Tobacco Product Sales)

A motion to approve Resolution 0210-20B was made by Kemper, seconded by Strand. All in favor, motion carried.

Gaming Permit Approval – Frazee Area Community Club Raffle on August 20, 2020 at the White Pine Room located at 105 2nd Ave. NE

A motion to Approve a Raffle Gaming Permit for the Frazee Area Community Club was made by Sharp, seconded by Kemper. All in favor with Flemmer abstaining from the vote. Motion carried.

Gaming Permit Approval – Smokey Hills Chapter of MN Deer Hunters Association Raffle on April 25, 2020 at the Frazee Event Center located at 114 Lake Street North

A motion approving a Raffle Gaming Permit for the Smokey Hills MN Deer Hunters Association was made by Kemper, seconded by Strand. All in favor, motion carried.

Resolution SP 0306-30 – Tom Pace/MN DOT

Tom Pace handed out information for participation costs for MN DOT and the City for Complete Streets Hwy 87 2022 Project. The City's share will be approximately 1.1 Million of which \$600,000 is for water/sewer replacement construction costs and those expenses may be eligible for PFA loan/grant. The amount of the TA grant of approximately \$470,000 for the multi-use trail will also apply to that figure. Flemmer had questions of City's cost of the shared use path as opposed to just a sidewalk. There was a discussion of lighting for the path and types of standards that could be used. Pace stated that after the bid letting in December 2021 the city's cost share will be due.

A motion to approve Resolution SP 0306-30 was made by Sharp, seconded by Kemper. Voting Aye – Sharp, Kemper, Strand and Miosek. Voting Nay - Flemmer

Discussion of Municipal Consent and Decision to Waive or Select Process

Pace stated that the design concept of the project will need a resolution of municipal consent due to right of ways and ponds that will be created. One option is to hold public open houses for further viewing of design plans and cost share expenses, or the Council could waive such process and if they are comfortable, they could sign a resolution for waiver of municipal consent. Pace explain what the Council would be approving on the layout such as lane widths, parking and shared use path. Once signed by Council MN DOT and Federal offices as well will need to sign since the project is tied to federal dollars. Strand stated that there have been two open houses for this and didn't see a need to hold off on it any longer, Sharp in agreement stated this project has been debated long enough and the design fits with the area.

Strand made a motion to approve the design the way that it is and to move forward, seconded by Sharp. All in favor, motion carried.

Old Business

Ulteig Engineering Update/Kris Carlson – Carlson stated that there will be a pre-construction meeting on Wednesday and after that time he should have a full report for council as to when the construction will start will a complete timeline.

Staff Reports

Event Center - Tappe was not present, Anderson presented the monthly Revenue & Expense report stating large Insurance bills were paid and there was only one event during January.

Liquor Store – Covered during Public Hearing

Police Department – Triegleff reported 130 calls for January of which 24 were traffic. His presence at the elementary school seems to be well accepted and he will need some expensive repairs on his squad. He requested for a Public Hearing in March to discuss

City-wide camera system and that he has acquired a new part time officer who also works in Perham and New York Mills.

Rescue Squad – Trieglaff reported 28 calls during the month of January of which 9 were in town.

Fire Department – Nelson reported 11 call in January 6 in the city, 3 in Burlington township, 1 in Silverleaf and 1 mutual aid. 1 probationary fire fighter has resigned. There are 123 active, 2 probationary and 1 member on a 1-year leave on the current rooster. He is waiting to hear if the department will be awarded a grant for a new air compressor to fill the tanks and that engine 2 will need repairs to maintain operation.

Public Works – Stephenson reported ¾” for precipitation, the water plant pumped 3,593,000 gallons of water , produced 2.73 M at the wastewater plant and added 11-3/4 gallons of fluoride to the water supply. He stated he’s dealing with a few problem areas where the lines are shallow, and water needs to run to prevent frozen lines.

A motion to accept staff reports was made by Strand, seconded by Sharp. All in favor, motion carried.

Council Member Reports

EDA – review of 12/31/2019 Meeting Minutes and Flemmer reported that Hank Ludtke was nominated as EDA president, Heath Peterson as Vice-president and Karen Pifher as Treasurer. \$2,000 was designated to the HOME down payment program, and discussion of the EDA taking over the Billboard sign on Hwy 10. Sharp expressed concerns he has with some EDA members and questioned motivation of why they feel the Council should not be following the adopted Comprehensive Plan and the City Ordinances. Flemmer stated that at one meeting he discussed that if EDA members feel Council is not working in the best interest of the EDA or City, they should attend Council Meetings or ask to be placed on the open forum of the agenda. There was further discussion and agreement among Council Members that if they can’t be apprised of both sides of an issue its difficult to make an unbiased decision.

Public Safety – Trieglaff stated that there was a discussion of the 3 vendors that presented proposals and the Committee feels by far Arvig had the best proposal for equipment and price. He requested for a Public Hearing at 6:00 p.m. on March 9th to the discuss City-wide camera system.

A motion to approve the request of the Public Hearing was made by Strand, seconded by Kemper. All in favor, motion carried.

Flemmer said they planned for parade dates and routes for July on 5 Thursdays before Turkey Days. More information forthcoming along with live music and entertainment. Flemmer also spoke about the railroad quite zone and fees and steps that need to be taken.

Planning and Zoning – Sharp reported that the committee met and worked on changes to the draft Ordinances and that there will be another meeting of a few members next week to finish the draft to present to the committee. Once reviewed by full committee it will be brought to Council. Trieglaff also stated that a process is beginning to see what steps need to be taken to remove a house in the City that poises a public hazard.

Personnel and Finance – No meeting

Parks and Trails – No meeting

LARL – review report in packet

A motion to accept the Department reports was made by Strand, seconded by Kemper. All in favor, motion carried.

Administrator Report – Anderson reported that she will be attending an MCFOA conference in March. The new financial software has been loaded on the server however due to Asyst system failures in the past week time has not been allocated to begin the set-up process. The Firehall and City offices have all been freshly painted. Also, she is in the process of lining up appointments with our senators and representatives for meetings discussing bonding and park matters in St. Paul during February and March.

A motion to accept the Administrator's report was made by Sharp, second by Strand. All in favor, motion carried.

With no further business to discuss Strand made a motion to adjourn at 7:45 p.m., all seconded. Meeting adjourned.

Respectfully Submitted

A handwritten signature in blue ink that reads "Denise Anderson". The signature is written in a cursive style with a large, looping initial "D".

Denise Anderson/Administrator