



## **CITY COUNCIL MEETING Minutes**

6:00 p.m.

March 21st, 2022

Frazee Fire Hall

### **City of Frazee Council Meeting**

1. Call the Meeting to Order - Roll Call – 6:00 PM
  - a. Council Members:
    - i. Mike Sharp
    - ii. Ken Miosek
    - iii. Mark Kemper
    - iv. Mark Flemmer
    - v. Nicole Strand – Zoom
  - b. Staff Members:
    - i. Jordin Roberts
    - ii. Kris Carlson
    - iii. Jolene Tappe
    - iv. Tyler Trieglaff
    - v. Larry Stephenson
    - vi. Nancy Kiehl
    - vii. Scott Luhman
    - viii. Tom Winters
  - c. Public:
    - i. Wes Hagna
    - ii. Denise Anderson
    - iii. Gary Anderson
    - iv. Hank Ludke
    - v. Nate Kunde – Ottertail Power
    - vi. Paul Lakin - VFW
2. Pledge of Allegiance
3. VFW License Review
  - a. Miosek reviewed the letters the city received from the MN Department of Alcohol and Gambling, stating that they were in violation. He also reviewed their posting on the MN Department of Revenue Liquor posting for not payment of taxes.
  - b. There were no representatives from the VFW, Flemmer stated the post commander did resign and they are in the process of getting a loan from the bank to pay off their bills.

- c. Kemper stated there are quite a few violations, one of which was selling alcohol that they did not purchase legally with their license, the redistribution of alcohol is illegal. Kemper suggested suspending their license until they can prove they have paid their payments and fines and have a process in place to not have this happen again. Kemper suggested having a meeting with them explaining the rules of the liquor license and the consequences for breaking them. Miosek also mentioned the potential for suspension until a new business plan is put in place.
- d. Miosek stated they have been on the Department of Revenue Liquor Posting since December 2021.
- e. Flemmer recommends holding off on any council action until after the results of the current ongoing police investigation. Kemper disagreed, as the states investigation is closed and is a separate issue.
- f. Strand clarified, if the council does not take any action the VFW would be able to open at any time as soon as they get the taxes paid. Roberts and Kemper confirmed, as soon as the taxes are paid they are able to open as it currently stands, unless council suspends their license. They are able to open the doors, but are unable to sell alcohol until taxes are paid.
- g. Strand agrees, there needs to be some consequence and their actions cannot be ignored.
- h. Motion by Kemper to suspend license until all penalties are paid, fees are paid, and they set up a meeting with council to discuss what the license entails. There is no time period on this suspension, it is open until the time the VFW can come to council with a plan. Second by Strand. In favor: Kemper, Miosek, Strand; Opposed: Sharp, Flemmer. **Motion carried.**
- i. Sharp questioned if the VFW was properly notified of this meeting and the discussion on the license, Winters had sent them a letter several weeks ago and Flemmer confirmed the VFW was aware of the letter.
- j. Winters clarified the issue that is of concern is more the violation of statute with the illegal purchase and resale of alcohol. Roberts furthered that by stating it is not the Department of Revenue side with taxes causing action to be taken, but rather the Department of Alcohol and Gambling.
- k. Paul Lakin was late to the meeting and at the end gave an update on the VFW. They are currently reforming the mortgage at the bank. Trying to get things in order. They are hoping to get it back up on the ground in 3-4 weeks.
- l. Flemmer updated Paul that we did suspend their license until everything is up to date and all fines paid, as well as there being a requirement to have a meeting with council. The district inspector for the VFW stated that Paul should stay in his position and see it through. Kemper clarified, we want them to open, but we want it done right.

#### 4. Open Forum

##### a. Wes Hagna

- i. Wanting Council to entertain the idea of rehiring him as the local assessor. He was the assessor for 5 years. Claims he hit his goals and offers a cheaper price than the county.
- ii. Miosek stated we have a yearly contract with the county. The board of review is coming up in a couple weeks. Miosek stated he believes we

should honor the contract with the county and we can reevaluate at the May meeting.

5. Consent Agenda

- a. Meeting Minutes 2-28-22
- b. Approval of Claims
- c. Review of City Cash Accounts
- d. Fire Department Auction Gambling Permit
- e. Resolution 0321-22A Becker County Polling Place
- f. Motion to accept consent agenda by Strand, second by Sharp. **All in Favor, motion carried.**

6. New Business

- a. Wannigan Park Resolution 0321-22B
  - i. The FCDC will have more accurate numbers during the construction phase, the overall plan has remained the same. Denise is asking for the approval from the council to submit the master plan to the greater MN Parks committee for approval.
  - ii. Motion by Kemper, second by Sharp. **All in favor, motion carried.**
- b. Spring Cleanup
  - i. Larry speculated that the cost of doing the project will have increased.
  - ii. Strand suggested doing it in May before graduation, prom, and HWY 87, it has not been done in a couple of years so it would be nice to get the town cleaned up before those events.
  - iii. After discussion it was decided Spring Cleanup will be May 9<sup>th</sup>-13<sup>th</sup>. Larry and Andrea will work on wording for the water bill backing announcement.
- c. Ulteig Contract for Project Engineer Services Hwy 87
  - i. With DOT Timeframe the contract got broken down to smaller segments, this is the construction services portion.
  - ii. Kris believes we have a really good contractor and things should begin mid to late May.
  - iii. Motion by sharp, second by Kemper. **All in favor, motion carried.**
- d. 4M Money
  - i. Roberts is requesting permission to withdraw the funds from the 4M fund and move them to the Restricted Savings account. The interest rate return is significantly higher, and it is more easily accessible in the UCB account. It is also able to be reinvested into CDARS for even better return.
  - ii. There was a consensus from all members to proceed with moving the money to restricted savings.
- e. Otter Tail Power Easement
  - i. Requesting access to a property due to changes with HWY 87.
  - ii. Motion by Kemper, second by Flemmer. **All in favor, motion carried.**

7. Old Business

- a. Ottertail Power Franchise Agreement
  - i. Roberts explained that there was a mix up last month, she accidentally included the wrong easement in the packet, and we are going to just

correct it this month. Winters has reviewed both agreements and they are standard.

- ii. Nate Kunde was in attendance and explained this agreement is basically the same as the agreement passed 20 years ago with the exception of the non-exclusive franchise fee added in. This agreement allows OTP to locate their facilities on city right-of-way to improve and service electric facilities. There is also the added option on enacting a franchise fee.
  - iii. Motion by Kemper to accept Ordinance No. 161, second by Flemmer. **All in favor, motion carried.**
- b. Arvig Franchise Agreement
- i. Roberts explained the Arvig franchise expired in 2018, they are looking to update the agreement. We currently have a 2% franchise fee in place from the old agreement, this can be changed or removed as council sees fit.
  - ii. Motion by Sharp to approve Ordinance No. 162, second by Kemper. **All in favor, motion carried.**

## 8. Staff Reports

- a. Tyler Trieglaff – Police Department
  - i. 74 police calls in February. Lower traffic due to season.
  - ii. Minor damage to a squad car, someone kicked a window. It is being fixed.
  - iii. Cameras from Arvig, estimate was in the packet showing the areas in town. Looking for one final go ahead on the top portion of the estimate.
  - iv. Motion by Kemper to move ahead with \$27,480 for cameras from Arvig, second by Sharp. **All in favor, motion carried.** Roberts mentioned the Police Budget has money from the Capitol Outlay portions budgeted for cameras that will be able to cover the expense.
- b. Tyler Trieglaff – Rescue Squad
  - i. 20 calls in February; 7 in town.
  - ii. 61 calls so far this year up to time of meeting.
  - iii. Low membership, looking for more volunteers.
- c. Nate Matejka – Fire Department
  - i. In packet.
  - ii. There is a meeting on the following Monday with all the townships to go over the fire contracts.
- d. Larry Stephenson – Public Works
  - i. Water plant pumped 4,725,000 gallons of water, this is up a bit because there are a couple of problem areas where water is running. 84 lbs of fluoride to the water for month of February
  - ii. Was at water convention last month and took top 3 in the state for best tasting water.
  - iii. Waste water plant pumped 2,280,000 gallons of water.
  - iv. Getting ready for discharge starting in May.
  - v. 93/100 of an inch precipitation in February.
  - vi. Roberts stated we also received a Certificate of Accommodation from the MN Pollution Control Agency.

- e. Jolene Tappe – Event Center
  - i. One big event in February, in April every weekend except Easter is booked.
  - ii. Larry and Donnie saved the day, Jolene went in and the compressor was running. The sprinkler system was leaking air, if it wouldn't have got caught it would have caused it to go off.
  - iii. Larry also found the gas problem with the stove, he had MN energy come with a meter and a fitting was loose.
- f. Liquor Store
  - i. Flemmer Discussion
    - 1. He mentioned a steady decline in sales the last several years.
    - 2. He has concerns about product being transferred from off sale to off sale and not being recorded.
    - 3. He is inquiring about either hiring a manager or getting the city out of the liquor business.
    - 4. Kemper stated even if we have the right system, it is still subject to human error for not recording. But a lot of the problems stem from the system we have being set up incorrectly. Kemper addressed some of Flemmer's concerns regarding food and other inventory, and that is something that can be tweaking in how it gets coded; several products get combined together such as gambling and darts under "other income".
    - 5. Strand suggested having someone with the manager title so there is someone held accountable for reporting to council on a monthly basis. She thinks Tanya has done an exceptional job, but if things are wrong we need to fix it instead of having the same recurring issues. If the system is outdated it needs to be changed.
    - 6. Flemmer is asking what we really want out of the liquor store long term. He would like to know who we hold as accountable.
    - 7. Discussion continued, and it was mentioned that inventory spot checks are performed weekly, a full inventory is time consuming. It was brought up to split the liquor and event center in the bank accounts, it was explained that the auditor does not want that.
  - g. Motion to approve staff member reports by Sharp, second by Kemper. All in favor, motion carried.

## 9. Council Member Reports

- a. EDA
  - i. Downtown building discussion. Seip is working on construction fit-up. Certificate of Occupancy has been received.
  - ii. CEDA Don will be looking a Mickelson property development.
- b. Public Safety
  - i. Discussed cameras.
- c. Planning and Zoning
  - i. There was not a quorum but there was discussion.
  - ii. Wannigan park master plan.

- iii. Ordinance 160 was discussed, allowing lots that have more area to be able to have larger accessory structures, right now it is capped at 1,000 square feet, this ordinance allows the larger lots to have more in accessory structures.
- iv. Membership of planning commission has been difficult to get a quorum, we are considering appointing an alternate person for being on the board, this would have to be approved by council before serving.
- d. Personnel and Finance
  - i. Did not meet
- e. Parks and Trails
  - i. Couple of people have asked about HWY 87 and the Heartland trail. Roberts clarified the path of the Heartland.
- f. Frazee – Vergas School District
  - i. No update from the school.
- g. LARL
  - i. No update.
- h. Motion to approve council reports by Sharp, second by Strand. All in favor, motion carried.

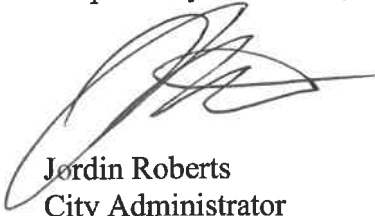
#### 10. Administrator Report

- a. DL Chamber Economic Development Summit
  - i. Roberts will be a guest speaker and plans on giving an update on the various projects as well as advertising the new Downtown Building.
- b. Ord. 160 Public Hearing Date
  - i. This has been posted in the paper and will take place before the next council meeting.
- c. Reminder that the Board of Appeal Date is April 13<sup>th</sup> at 3:30, a quorum is needed.
- d. Requesting Council Members bring in Code Books for Andrea to fill in the most recent copies of updated ordinances.
- e. The contractor who submitted a bid for the building update has now been booked up. We also did not receive the COVID money from the county we were hoping to get. Roberts is looking into getting estimates for remote water reads using the ARPA funding.
- f. Motion to approve administrator report by Kemper, second by Flemmer. All in favor, motion carried.

#### 11. Adjournment

- a. Motion to adjourn at 8:12 PM

Respectfully Submitted,



Jordin Roberts  
City Administrator