

Approved



**MEETING MINUTES
CITY COUNCIL
April 22, 2025**

Present: Mayor Dresel, Council Member Rivers, Battles, Anderson and Meyers

Absent: None

Staff: City Administrator Pechman, Finance Director Cassie Gemuenden, Associate Planner Nelson, City Engineer Stanley, Police Chief Schlumbohm

Public Attendance: Leilani Freeman, Mark Legan, Margaret Harding, Noel Stenstrud, Joe Tripplet, Shane Banwarth, Justin Nilson (Abdo)

REGULAR MEETING-CALL TO ORDER 6:30

Mayor Dresel called the meeting to order at 6:30 p.m.

1a. "Pledge of Allegiance"

The Pledge of Allegiance was recited.

Action

1b. Roll Call

All members are present.

Action

AGENDA

Mayor Dresel asked if there were any changes to the agenda.

Council Member Rivers made the motion to approve the agenda, Council Member Anderson seconded, all in favor, all ayes, motion carried.

CONSENT AGENDA

3a. Minutes of March 25, 2025

Action

3b. Payment of Bills/Finance Information

Action

3c. Committee Reports

Discussion

3d. Tobacco Violation – Mini Mart 1st violation

Action

Council Member Rivers stated the Park Board was going to be adding a BMX trail behind the dog park.

Council Member Battles stated the Cable Commission is seeking members.

Council Member Meyer stated the Fire Department is also seeking new members.

Council Member River made the motion to approve the consent agenda, Council Member Meyers seconded, all in favor, all ayes, motion carried.

PUBLIC COMMENT/AGENDA PLACEMENT

4a. Mark Legan- 10875 Stinson Ave.

Discussion

Mark Legan of 10875 Stinson Avenue stated he had issue this past fall for finding his curb stop and want to say thank you. Jason Lind Public Works Superintendent had went above and beyond in finding this. He installed a PVC pipe in the lawn going to the curb stop and wanted to know what needs to be done now to complete. He understands it needs a new curb box that attaches to the curb stop; this had been damaged when the county had installed the road. Mr. Legan is seeking help from the city in completing this.

Council Member Meyer stated it would have to be addressed as to what we have in the budget.

Public Works Superintendent Lind stated it is private property and we have already gone above and beyond what the city would typically have done. He had reviewed the plans from before when the county had done this project and did not see the curb stop on the plans. It was located within the grass 6 feet from the construction area. They had to hydro to find the curb stop and he had already went above what we can typically do.

Mayor Dresel stated he have helped out what we can to find it for him and felt the completion needs.

Mr. Legan stated he had gotten quotes from 3,000 to 4,500 to have this completed.

Mayor Dresel stated our bill was larger than that to find the curb stop.

Mr. Legan asked if he has to fix this.

Public Works Superintendent Lind stated by state law this needs to be assessable in the case of a natural disaster event this is required by the MNDH.

Council Member Rivers stated they have already paid for half the bill and he will have to be responsible for the other half.

4b. Unexpected Company – Visit Algutsboda

Discussion

Margaret Harding of 9712 John Trail stated she is a member of Unexpected Company. It is their 40 Anniversary of the choir and are up to 70 members. The group Unexpected Company are holding a concert on May 2 and May 4; their bon voyage concert before heading to Sweden. Harding thanked the Mayor and Administrator for meeting with the group of Swede's which had came last year; this is who they will be seeing when the go to Sweden to be good ambassadors.

Administrator Pechman stated they have some Chisago City and Moberg Trail t-shirts and thing they can take with them for the trip.

Noel Stensrud with the Chisago Lakes Area Community Foundation they have been in existence since 2008 and have an endowed fund over 600,000 and have given to the community over 150,000 in grants. Three years ago they had the big idea grant and now are doing it again for 12,000. Applications open August 1 through October 15. Projects that enhance life leave a living impact and is open to all non profits in the area.

Mayor Dresel asked if anyone else he continued.

PETITIONS, REQUESTS, COMMUNICATION

5a. Chisago County Engineer Joe Triplett – Highway 8

Discussion

Joe Triplett stated they have been able to submit their environmental clearance and will be able to submit a final design. It is a MnDOT project but we can submit our impression and concerns of the design. We have been able to come up with a 30% cost estimate and his first stop is with MnDOT on what that can be. We still have a major work with over 240 parcels to deal with and power lines, etc. We were able to add in the trail from Karmel to 36 and the comfort lakes area will be interesting to see how it will be completed by trying to keep Highway 8 open during the construction.

Council Member Anderson asked why at Hwy 8 and 23 they are keeping the lights and not doing a roundabout.

Joe Triplett stated MnDOT does not like 4 lanes roundabouts and are looking at keeping the lights.

Mayor Dresel stated we have been having workshops and making sure we see any issues which could be addressed.

PUBLIC HEARINGS

None.

NEW BUSINESS

7a. Variance Application – 29173 Karmel Ave

Action

Associate Planner Nelson stated Shane Banwarth, owner of 29173 Karmel Ave. has submitted a variance application for proposed additions to the building on the property. The variance application applies to following:

- Required setback to the Right of Way (ROW).
- Required setback to the rear property line.
- Required exterior materials.
- Required number of parking stalls.

The applicant is proposing to build two additions onto the existing building, change the use of part of the building and expand the parking lot. The Planning Commission held a duly notified public hearing on 04/03/2025. Public comment was received inquiring if any thought had been given to the impact this may have on traffic on Karmel Ave. Applicant, Shane Banwarth was available via zoom. He had representatives present at the meeting to show physical samples of the proposed exterior materials. Commissioners felt the additions made sense for the property. The anticipated busy times of the two business will be opposite each other allowing for crossover parking. During the meeting it was disclosed that a change in plans would mean

that the trash would need to be stored outside. Planning Commission voted to recommend approval with city staff recommended condition and an added condition that if trash is to be stored outside it must be screened to meet ordinance requirements. The property is zoned Highway Commercial (HC) and is in the Shoreland Overlay District (SLOD). The property is being used as an automotive repair business. Automotive repair is permitted in the HC district with a conditional use permit. The applicant would like to renovate the building and add onto it to incorporate a new business, Clutch Golf. Clutch Golf is proposed to offer golf simulators, food and intoxicating beverages. The property is guided HC. Use of property for entertainment, eating and drinking and automotive repair purposes is consistent with the Comprehensive Plan. The property measures roughly 1.5 acres with a pole barn style building. Mature trees exist around the property. The proposed addition meets impervious surface area requirements of the Highway Commercial and Shoreland Overlay Districts. Table 1 below illustrates the required, existing and proposed setbacks that are included in the variance application. All other proposed setbacks not listed meet requirements. City Planner Nelson explains the difference between the setbacks. Zoning Code Chapter 4.3.3.D.8. outlines acceptable exterior materials in the Highway Commercial District. Acceptable exterior materials are divided into Class 1 and Class 2 categories as presented in the Table 3 below. Facades facing public right-of-way or residential district must be composed of at least 65 percent of Class 1 or 2 materials, with Class 1 materials comprising at least 25 percent of the total façade. Side and rear facades not visible from public right-of-way or residential districts may use any combination of Class 1, 2, or 3. The table below illustrates the requirements, proposed and approximant existing material percentages for the sides of the building. Text in red indicate an item is included in the variance application. Zoning Code Chapter 6.7.Q. outlines the number of required parking stalls for businesses within the City. Based on the various proposed uses of the building the required amount of parking stalls is 62. The applicant has proposed 47 outside parking stalls including 2 handicap accessible stalls, and has 7 parking stalls inside the building, totaling 54 stalls. All Ways Auto is closed on the weekends allowing for more parking for Clutch Golf Saturdays and Sundays. Zoning Code Chapter 6.10.2.E. outlines where any commercial use (building, structure, parking or storage) is adjacent to or across the street from residential property screening shall be required along all boundaries of residential property. Below are images from Google Earth showing the existing screening. There is a chain link fence along the front and western side of the property that follows Highway 8 up Karmel Ave. Established vegetation exists on the east, west and northern sides of the property. The proposed plan does not include any change to the existing screening or landscaping. Trash containers are proposed to be stored outside the building. A distinct screening plan was submitted and meets ordinance requirements. A lighting plan has been submitted and meets requirements. City Administrator Pechman, Associate Planner Nelson, sent to DNR Hydrologist Craig Wills via email. No comment provided by Wills. Staff is recommending approval of the variance with conditions: Applicant to record resolution of City Council's determination and provide an attested copy of the recorded resolution to city staff. City Planner Nelson stated approve or deny the variance application.

Shane Banwarth, owner of 29173 Karmel Ave stated the company told them they would need an additional 5 feet for the variance because of what we need; they just found this out yesterday.

Council Member Battles said this is the bump out in the back and would need an additional 5 feet.

Council Member Meyers stated the Planning Commission agreed that this will improve the building, and it will be good for the area with entertainment in town.

Council Member Rivers asked if there was any reason they could not add the additional 5 feet tonight.

Council Member Meyer stated he want to make sure the typo was ok with the grade.

Shane stated they have reviewed this with the builder, and they can fit this in and it should be ok.

Administrator Pechman stated if it had been along the building not behind they would have been fine. If they can make it work with the current variance it would be ok otherwise, they would have to hold another hearing.

Shane said we can possibly just slide it down to meet the current variance.

Administrator Pechman stated the back was fine and it is slid down the variance would be the same.

Council Member Meyer made the motion to approve with the back of the building to remain with the current variance, but if needed additional it would require another hearing, Council Member Rivers seconded, all in favor, all ayes, motion carried.

7b. Design Review – 29173 Karmel Ave

Action

Associate Planner Nelson stated Shane Banwarth, owner of 29173 Karmel Ave. has submitted a request for a design review to build two additions onto the existing building, change the use of part of the building and expand the parking lot. The proposed uses are the existing All Ways Automotive and Clutch Golf. The Planning Commission held a design review on 04/03/2025. No comment was received. Representatives present at the meeting to show physical samples of the proposed exterior materials. Commissioners felt the additions made sense for the property. During the meeting it was disclosed that a change in plans would mean that the trash would need to be stored outside. Planning Commission voted to recommend approval. The property is zoned Highway Commercial (HC) and is in the Shoreland Overlay District (SLOD). The property is being used as an automotive repair business. Automotive repair is permitted in the HC district with a conditional use permit. The applicant would like to renovate the building and add onto it to incorporate a new business, Clutch Golf. Clutch Golf is proposed to offer golf simulators, food and intoxicating beverages. The property is guided HC. Use of property for entertainment, eating and drinking and automotive repair purposes is consistent with the Comprehensive Plan. The property measures roughly 1.5 acres with a pole barn style building. Mature trees exist around the property. The proposed addition meets impervious surface area requirements of the Highway Commercial and Shoreland Overlay Districts. Table 1 below illustrates the required, existing and proposed setbacks that were included in the variance application. All other proposed setbacks not listed meet requirements. Zoning Code Chapter 4.3.3.D.8. outlines acceptable exterior materials in the Highway Commercial District. Acceptable exterior materials are divided into Class 1 and Class 2 categories as presented in the Table 3 below. Facades facing public right-of-way or residential district must be composed of at least 65 percent of Class 1 or 2 materials, with Class 1 materials comprising at least 25 percent of the total façade. Side and rear facades not visible from public right-of-way or residential districts may use any combination of Class 1, 2, or 3. Zoning Code Chapter 6.7.Q. outlines the number of required parking stalls for businesses within the City. Based on the various proposed uses of the building the required amount of parking stalls is 62. The applicant has proposed 47 outside parking stalls including 2 handicap accessible stalls, and has 7 parking stalls inside the building, totaling 54 stalls. All Ways Auto is closed on the weekends, allowing for more parking for Clutch Golf Saturdays and Sundays. Staff is recommending approval of the design review.

Council Member Meyer made the motion to approve the design review, Council Member Anderson seconded, all in favor, all ayes, motion carried.

Council Member Battles asked City Planner Nelson if there was a resolution which needed to be approved.

Associate Planner Leah stated they are not completed as of yet but will be.

7c. Water Study – Bolton & Menk

Action

City Engineer Stanley of Bolton & Menk stated Jake has prepared a study of the city’s water system to evaluate the existing system and make recommendations for future improvements.

Jake stated he has a copy of the report and recommendations are based on input from staff, inspections, and evaluation in accordance with current design practices. The study takes into account several factors including, population growth, existing water use, future water demand, existing facilities, water quality requirements, water treatment alternatives, future system improvements, costs, and funding options. The report addresses 20 years and a plan for all with user rates for ahead. The goal is to be budgeted for future growth in the area. By 2045 we are projecting growth at 7,500 to try and figure out water demand for the future. Currently we are pumping 320,000 and in the future could be 440,000. Jake goes through each of the wells and their needs. Liberty Lane well and adding a treatment facility at this site would be the best site for this. They go through prices for funding programs for upgrading systems.

Council Member Meyer asked if the manganese comes down the road as being a requirement.

Jake stated with figuring everything once they hear it is mandatory, they typically would have approximately 5 years.

Administrator Pechman stated this study is helpful for the future and planning.

Council Member Meyer made the motion to accept the report, Council Member Rivers seconded, all in favor, all ayes, motion carried.

7d. Proposed Amendment – Zoning Chapter 6 Section 3

Action

Associate Planner Nelson stated Chisago City staff has received increased inquiry regarding the use of shipping containers for storage on properties mainly in residential districts. During the March 6, 2025, meeting the Planning Commission discussed the concept of utilizing shipping containers and/or semi-trailers as storage units as temporary structures. City staff have researched comparable municipalities, and the Chisago Counties ordinances related to shipping containers and semi-trailers as storage on properties. The general finding is that containers are reviewed on a case-by-case bases and require an Interim Use Permit if they will be present longer than a set number of days, dependent upon the jurisdiction. The Planning Commission held a duly notified public hearing on 04/03/2025. No public comment was received. Commissioners felt the proposed amendments made sense. Planning Commission voted to recommend approval. Approve, deny or recommend further changes to proposed amendments to Zoning Chapter 6 and authorize city staff to publish a summary in the local paper.

Council Member Battles made the motion to approve the change, Council Member Meyer seconded, all in favor, all ayes, motion carried.

7e. RFP for new legal council

Action

Administrator Pechman stated City staff in the winter of 2025 were informed by Patrick Doran with Miller and Stevens that he was leaving the firm and would no longer be doing municipal work. City Council at their last regular meeting reviewed two proposed schedules and the shorter RFP schedule was preferred. City staff prepared an RFP and attempted to contact six firms. Four firms did respond to request a RFP. The RFP's were due on April 15th. Three proposals were received. On Thursday, April 17th council member Battles and staff meet and reviewed the proposals. One proposal was eliminated, and the other two staff was going to do some reference checks and contact both firms. Based on the aforementioned and the rating sheet staff is recommending Flaherty and Hood P.A. out of St. Paul. The City does have past experience with Flaherty and Hood on as needed basis most recently to review a new union contract with Public Works local 49.

Council Member Meyer made the motion to approve Flaherty and Hood P.A. as the city's legal representation, Council Member Rivers, all in favor, all ayes, motion carried.

7f. Request-ADA/Lighting- Gas Franchise and Park Dedication

Action

Administrator Pechman stated City staff has been reviewing some of the park areas and buildings. A few park areas have been identified as either needing new, repaired or replaced hard surfaces for better ADA accessibility. The identified areas are Moberg Park Statue, city dock at the end of Stinson Ave, and the access to the fishing pier in Paradise Park. Moberg Park needs the walking apron around the statue replaced and a new section of sidewalk to connect the walking apron to the existing sidewalk on Isabel Ave to allow wheelchairs access to the area. Estimate \$10,000 - \$6000 Gas Franchise, \$4000 Park Dedication. The fishing pier that was replaced in 2024 at Paradise Park, needs better ADA access. The old buried dock sections should be replaced with an asphalt walkway to accommodate wheelchairs. Estimated to cost around \$8500 all Park Dedication. The complete access from the city dock to the Stinson Ave sidewalk ADA access. Remove temporary trap rock. Cement sidewalk extension estimated to cost around \$4000 all Park Dedication. The current lighting in the basement of Strom Hall needs to be removed for safety concerns and new updated LED lighting installed. Estimated cost to be around \$3000 all Gas Franchise. Gas Franchise has a balance slightly over \$75,000 Park Dedication has a balance of \$300,000.

Council Member Rivers asked about the slides at Paradise Park and the need for repairs.

Administrator Pechman stated we have tried getting welders out there and they have all walked away. Once these slides are removed, they never can come back.

Council Member Battles made the motion to approve the expenditures, Council Member Rivers seconded, all in favor, all ayes, motion carried.

7g. Bolten and Menk Changer Order #1/Design Fee

Action

Administrator Pechman stated City Staff and Engineering Consultant Stanley approved a final design to be presented to Chisago County for approval. Engineer Stanley has provided the attached memo detailing the process to get trail approval. As a result of that process, the cost to design the trail significantly surpassed the scope of services agreed to. The contract amendment is seeking an additional not to exceed amount of \$28,000. A majority of the cost may not be shared 50 – 50 with the awarded grant. The original scope of services were for \$68,579. Change order number one is requested so the low bidder will meet the prevailing

CITY COUNCIL MINUTES

April 22, 2025

Page 8 of 8

wage rate. The prevailing wage requirement was not included in the bidding documents. One of the sub contractors did not bid prevailing wage. A change order of \$7904.60 is required to meet the wage requirement. The increase will be eligible for the 50-50 split.

Council Member Meyer made the motion to approve the funding, Council Member Rivers seconded, all in favor, Dresel abstains, all ayes, motion carried.

7h. 2024 Annual Audit

Cassie Gemuenden Finance Director stated Abdo has been retained as our city certified public accountants. They have completed the annual audit of the City's general-purpose financial records for the year ended 2024. Justin Nilson of Abdo will be presenting the audit for approval by the Chisago City Council. An annual audit helps maintain internal controls and gives reasonable assurance that the financial statements are free of material misstatement in compliance with U.S. Generally Accepted Auditing Standards and Government Auditing Standards. The Audit provides a complete picture of Chisago City's financial position. Resolution #25-04-02 RES to approve the 2024 Annual Financial Report completed by Abdo.

Justin Nilson of Abdo went through the report through video presentation. The general fund balance did have an increase which is positive. The expenditure's overall is right in line with balancing. Mr. Nilson goes through the report and explains each category and it all looks consistent.

Mayor Dresel asked for any questions or comments.

Council Member Anderson made the motion to approve the audit, Council Member Battles seconded, all in favor, all ayes, motion carried.

UNFINISHED BUSINESS

None.

ADJOURN

Council Member Rivers made the motion to adjourn, Council Member Anderson seconded, all in favor, all ayes, motion carried.

Respectfully Submitted by:
Paula Oehme,
Deputy City Clerk