



Approved

MEETING MINUTES
September 23, 2025

Present: Mayor Jeremy Dresel, Council members, Marie Rivers, Nikki Battles, Mark Anderson, and Craig Meyer.

Absent: None

Staff: City Administrator John Pechman, Associate Planner Leah Nelson, Deputy Clerk Alisa Bodell, Finance Director Cassie Gemuenden, and Chief of Police Bill Schlumbohm

Public Attendance: Leilani Freeman

1. REGULAR MEETING-CALL TO ORDER 6:30

Mayor Dresel called the meeting to order.

1a. "Pledge of Allegiance"

The Pledge of Allegiance was recited.

1b. Roll Call

All members are present.

2. AGENDA

Mayor Dresel asked if there were any additions to the agenda. Council member Rivers made a motion to approve the agenda; Council member Anderson seconded; all ayes; motion carried.

3. CONSENT AGENDA

3a. Minutes of August 26, 2025.

3b. Minutes of Special Meeting September 9, 2025.

3b. Payment of Bills-Finance Information

3c. Committee Reports

Council member Rivers made a motion to approve the consent agenda; Council member Anderson seconded; all in favor, all ayes; motion carried.

Council members Battles gave an update on the Library Commission raising rates, Mayor Dresel commented on the Police Commission conducting a study on building usage and Council member Meyers stated that the fire department is seeking new members.

4. PUBLIC COMMENT/AGENDA PLACEMENT

5. PETITIONS, REQUESTS, COMMUNICATION

5a. LID Channel Project

Administrator Pechman stated that the Lake Improvement District will be holding a workgroup for local leaders at their next meeting October 20th at 6:30pm. The meeting will discuss the channel work between North Center and North Lindstrom lakes.

6. PUBLIC HEARINGS

6a. Vacate-ROW Gateway Avenue & Utility Easement

Associate Planner Nelson stated that city staff received a petition to vacate a portion of the plated Right of way (ROW) and drainage and utility easement in the Gateway Chisago Plat, from property owners TMC Holdings LLC and D&C Fisk Properties LLC. The petition proposes a new drainage and utility easement to cover the existing utilities that run underground. The original intent of the roadway easement was to extend Gateway Ave. to Sportsman Drive. The construction of the Chisago Lakes Apartments diminishes the need or ability to extend the road to Sportsman Drive. The city drainage and utility easements are still needed. The City Council must review and determine if the plated ROW is no longer of interest to the city. The City Council must review and determine if the proposed vacation and creation of a new drainage and utility easement is acceptable. Should the Council determine the plated ROW is no longer needed to serve the public and the proposed vacation and creation of a new drainage and utility easement is acceptable, staff should be directed to finalize the resolution and authorize the mayor and administrator to execute it.

Council member Anderson made a motion to open the public hearing, Council member Meyer seconded, all in favor, all ayes, motion carried.

Mayor Dresel asked for any discussion, Council member Rivers stated that she owns part of this property and with no need for a future road it makes sense to vacate the ROW. Council member Meyer closed the public hearing, Council member Anderson seconded, all in favor, all ayes, motion carried.

Council member Meyer asked about access to the area for public works to maintain utilities. Pechman stated that there is a new utility easement through the area with a hydrant and shut off valve to shut water off to the apartment complex, the apartments have private utility lines.

Council member Meyers made a motion to approve the vacation of the street ROW and drainage and utility easements as depicted in the Gateway Chisago Plat; Council member Anderson seconded, all in favor, Rivers abstained, all ayes, motion carried.

7. NEW BUSINESS

7a. Contractor Request for Payment #2 Old Towne Rd Trail Project

Administrator Pechman stated that the Old Towne Project is near completion, the request for payment number two has been received, the retainage amount would drop to 1% the amount requested for payment is \$18,613.24. The city engineer has reviewed the request, and staff is recommending approval of the second payment.

Council member Anderson made a motion to approve the request for payment #2 to Dresel Contracting for the Old Towne Trail project; Council member Rivers seconded, all in favor, Dresel abstained, all ayes, motion carried.

7b. Set date for Hearing for Taxes Payable 2026- Resolution 25-09-01 & Preliminary 2026 Levy Resolution 25-09-02

Finance Director Gemuenden stated that according to Minnesota State Statutes, the City Council must hold a public meeting to discuss the 2026 budget and 2026 taxes payable levy

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and must also establish the 2026 Proposed Levy Certification for Chisago City. The date of the hearing will be December 9th, 2025, during the scheduled council meeting. Also, the proposed 2026 levy must be certified to the County Auditor no later than September 30, 2025. Council is asked to approve Resolution 25-09-01 for the public hearing and Resolution 25-09-02 to establish the 2026 proposed levy to be certified to the county.

Gemuenden discussed the budget and stated that the preliminary net tax capacity has increased (5.04%) The increase of 16.40% in the proposed 2026 general fund levy reflects an increase of 9.3% in the Lakes Area Police budget, a 3-10% increase in League of MN Cities insurance premiums, 12.7% increase in health insurance premiums, an increase union contract wages and benefits, increases in contracted mowing expenses, 3.75% cost of living increase, and minor increases related to the new Paid Family Medical Leave (PFML) effective 1/1/2026 that is required by state statute to participate in. The General Fund Budget for 2026 operating expenses reflects a \$532,059 increase, which is mainly due to the previously mentioned factors. Also, the operating levy for the EDA levy and the Ojiketa levy were slightly increased, due to the allowable amount based on the increase in estimated market value. The proposed overall tax rate for Chisago City will decrease 2.71%. The NTC had a slight increase, but the overall tax rate is lower (35.628%) because of the redistribution of LGA dollars to help offset the general fund levy increase. Total overall city levy is set at 9.86%.

Mayor Dresel stated that we are trying to hold down the tax rate, and that is why we are using some of the LGA dollars to help offset the general fund increase. Meyers stated that some cities are up 16%.

Council member Meyers made a motion to approve resolution 25-09-02; Council member Rivers seconded, all in favor, all ayes, motion carried.

Council member Meyers made a motion to approve resolutions 25-09-01; Council member Rivers seconded, all in favor, all ayes, motion carried.

7c. Add Moreton Capital Markets as Additional Depository

Finance Director Gemuenden stated that the city normally approves depositories for the city's cash and investments at the first City Council Meeting of the year. After meeting with Moreton Capital Markets, we are recommending them as another option for our investments. Moreton would provide us with tools like an analytical investment review and free training. Moreton is an approved depository in other cities such as Duluth, New Brighton, and Apple Valley. The Vice President, Hannah Lynch, has a prior professional relationship with Gemuenden, along with the City's auditing Partners at Abdo. She has a background in audit firms, city governments as a Finance Director herself, and now investments. Staff is asking council to approve Resolution 25-09-03 approving Moreton Capital Markets, LLC as an additional Depository.

Mayor Dresel asked how the city is planning on using this firm, Gemuenden stated that Moreton would be an asset for investments and to transfer funds from RBC to Moreton to have a cleaner portfolio for investments and better communication.

Council member Meyer made a motion to approve Resolution 25-09-03 Moreton Capital Markets as an additional depository; Council member Anderson seconded, all in favor; all ayes, motion carried.

7d. Resignation of Dan Charpentier Park Commission

Administrator Pechman presented an email resignation from Dan Charpentier to the council, Charpentier does not have the time to attend meetings and is not making the commission a priority.

Council member Anderson made a motion to accept the resignation of Dan Charpentier from the park commission; Council member Rivers seconded, all in favor; all ayes, motion carried.

8. UNFINISHED BUSINESS

8a. City Logo Update-Final Review-Council Member Battles

Council member Battles updated the council on the new logo design; Council member Battles, Anderson and Parks Superintendent Zacho have been working with a graphic designer to come up with the design. Battles referred council to the packets that have pictures of the design, there are two color options to choose from and three different logos in each color pallet. The three different logos are to better serve the different items the logo will be placed on. Council member Battles and Anderson decided on the color option #1 which has the gold color in it. Council member Meyer asked about the logo phasing in, Administrator Pechman stated it would be phased in as needed, using up items with the old logo first such as letterhead and envelopes.

Council member Rivers made a motion to approve option #1 of the new city logo design; Council member Meyers seconded; all in favor; all ayes, motion approved.

9. ADJOURN

Council member Rivers made the motion to adjourn, Council member Meyer seconded, all in favor; all ayes; motion carried.

Respectfully Submitted by:
Alisa Bodell,
Deputy City Clerk