

Approved



MEETING MINUTES
November 10, 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, Parks Superintendent Doris Zacho, and Chief of Police Bill Schlumbohm

Public Attendance: Leilani Freeman, Don Skelly, Todd Phillips, and Jonathan Wrolstad

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 October 28, 2025.

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.

4. PUBLIC COMMENT/AGENDA PLACEMENT

5. PETITIONS, REQUESTS, COMMUNICATION

5a. Don Skelly-South Lindstrom Shores

Mr. Skelly, developer of South Lindstrom Shores, asked to address the council this evening after council voted against directing the MPCA to transfer the Storm-Waste water permit for the South Lindstrom Shores infiltration basin to the city at the last council meeting which was held October 28th.

He explained that the South Lindstrom Shores stormwater permit was transferred to individual lot owners in 2024 after all lots were sold. In late 2024, the city accepted public improvements, including the stormwater system, and acknowledged that Mr. Skelly had met

all requirements. In April 2024, the MPCA inspected the site and found violations, including a need to clean out the stormwater pond—something he tried despite no longer owning property there. He then submitted a permit-transfer form to move the stormwater permit responsibility to the city, which Administrator Pechman signed, however, the MPCA repeatedly failed to record the transfer, claiming they never received the documents or that the city had not instructed them to process the transfer.

The MPCA has stated they will not finalize the transfer without explicit direction from the city. Meanwhile, individual lot owners have allowed the pond to fill with excess dirt, and Mr. Skelly provided photos to the council showing this damage. He states they followed all development agreements, permits, and procedures, and that the city has already accepted the improvements.

Mr. Skelly emphasized past successful projects in the city stating he has given the city 6 different plats for residential development. He expressed a desire to continue developing in Chisago City, and requests that the council instruct staff to tell MPCA to finalize the stormwater permit transfer to the city.

He stated, “if the council decides to let the pollution control agency hold up that permit transfer with your city, I’ll understand that even if I follow protocols, and collegiality, and legal forms, you may elect to use the advantage of your size with the MPCA against me, even if I follow the rules, I’ll understand that I am a business person, I’m a smart guy, and when I follow the rules I expect the rules to be followed and that has not happened here.”

Mr. Skelly believes it is in everyone’s interest for the city to direct MPCA to record the permit transfer, since the city can work with MPCA more effectively than he can as a private developer.

Mayor Dresel stated that there have been discussions involving attorneys, and tonight it feels as though Mr. Skelly is suggesting withholding future development projects unless we grant this request, and that is a serious matter. Council directed Mr. Skelly to communicate with city staff. Mayor Dresel thanked Mr. Skelly for coming in and presenting his concerns.

6. PUBLIC HEARINGS

7. NEW BUSINESS

7a. Variance Application-10124 Kismet Isle Resolution 25-11-04

Associate Planner Nelson stated John and Laurie Jo Sasse requested a variance to build a deck on their home. Shoreland rules require a 75-foot setback from the Ordinary High Watermark (OHW), but the applicants proposed a 56-foot setback—an encroachment of 19 feet. The property is small, legally nonconforming, and already had a 2003 variance (approved under Wyoming Township) allowing an addition at 50 feet from the OHW. The proposed deck would be farther from the lake than that existing variance and would not increase impervious surface because it is a second-story deck.

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The Board of Adjustments held a public hearing with no public comments and recommended approval, noting the lot's constraints and that a deck is a reasonable residential use. Staff and the DNR hydrologist provided no objections.

Council member Meyer stated that a late concern was raised about two nonconforming sheds near the water. Associate Planner Nelson explained the sheds pre-date current permits and may or may not be movable, and that no public complaints had been received. After discussion, the council agreed the sheds did not prevent approval of the deck variance.

Council member Meyer made a motion to approve the Variance for 10124 Kismet Isle Resolution 25-11-04; Council member Rivers seconded; all in favor, all ayes, the motion was approved.

7b. Variance Application- 26387 N John Ave. Resolution 25-11-03

Associate Planner Nelson explained Todd and Tina Phillips requested a variance to allow an addition and garage expansion on their home, also within the shoreland setback. The existing home and garage already sit closer than 75 feet to the OHW due to construction dating back to 1978 and 2000–2001. The new addition would be 60 feet from the OHW—15 feet into the required setback but no closer than the home's current footprint. The lot is 1.5 acres, meets impervious surface limits (proposed 11% vs. 25% allowed), and the layout leaves no alternative location that avoids either the setback area or the septic system.

The Board of Adjustments held a public hearing with no comments and recommended approval. Staff and the DNR hydrologist had no objections. The council reviewed the findings of fact and staff's recommendations and considered the request consistent with zoning, the Comprehensive Plan, and the practical difficulty standard.

Council member Meyer made a motion to approve the Variance for 26387 N John Ave. Resolution 25-11-03; Council member Anderson seconded; all in favor, all ayes, the motion was approved.

7c. 2025 Grass Mowing Certification Resolution 25-11-01

Finance Director Gemuenden explained that the City contracted Paradise Outdoor Services in 2025 to clean up properties with unkempt yards. Only one property required cleanup this year, and the City has already paid the \$400 invoice. To recover the cost, the City proposes placing a one-time special assessment of \$400 on parcel 13.0006800 for the 2026 property tax roll through Chisago County. This action aligns with city ordinance for addressing public nuisances and protecting public health and safety. The requested action is for the City Council to adopt Resolution 25-1101 to certify the special assessment.

Council member Meyer made a motion to accept Resolution 25-11-01; Council member Rivers seconded; all in favor, all ayes, the motion was approved.

7d. 2025 Delinquent Sewer and Water Bill Certification Resolution 25-11-02

Finance Director Gemuenden stated that he City annually certifies delinquent water and sewer utility bills to the County Auditor for collection through the following year's property taxes, as required by city ordinance. Delinquent accounts eligible for certification are those owing more than \$300 or those with no payments made during the year. For 2025, the total amount currently eligible for certification is \$149,343.44, which includes both the delinquent balances and the required penalties:

- 10% penalty on the quarterly portion, and
- An additional 5% penalty on the total certified amount.

This year's total is higher largely because several large multiple unit accounts are included, though many customers have only recently received delinquency notices. Payments are still coming in, and the final certified amount will likely be lower. Residents have until December 1 to pay before the list must be certified to the County. The requested action is for the City Council to adopt Resolution 25-11-02 to certify the delinquent utility accounts to the 2026 property tax roll.

Council member Meyer discussed action for repeat offenders and Council member Rivers asked if the water is ever shut off, Gemuenden stated that the certified amount to the taxes for payment back to the city is done as an alternative to shutting off water to the residents. Council member Rivers asked for an updated amount to be certified at the December meeting.

Council member Rivers made a motion to approve Resolution 25-11-02 for the certification of the delinquent water and sewer utility bills; Council member Anderson seconded; all in favor, all ayes, the motion was approved.

7e. Emerald Ash Bore Grant

Parks Superintendent Zacho stated that she has been working with staff and with Sarah Bowser from ISG and prepared an Emerald Ash Borer (EAB) Relief Grant application through the Minnesota DNR in response to numerous resident concerns about diseased ash trees and high removal costs. The grant is non-matching, making it financially beneficial for the city and community. As part of the application requirements, the city must adopt an official Emerald Ash Borer Plan. Zacho has researched similar-sized cities, consulted with Public Works and the Parks Department, and created a plan tailored to Chisago City. The plan addresses management of ash trees in parks, on city boulevards, and within the broader community. Approval of this plan is required before the city can be awarded any grant funding. The DNR has indicated they can accept the grant application now, but final approval cannot occur until the City Council formally adopts the EAB Plan. The action requested is for the City Council to approve the Emerald Ash Borer Plan.

Council member Anderson made a motion to approve the Emerald Ash Borer Plan; Council member Rivers seconded; all in favor, all ayes, the motion was approved.

7f. SVF Benefit Increase Resolution 25-11-05

Jonathan Wrolstad, Treasurer of the Chisago City Fire Relief Association, presented a request for a \$500 increase in the firefighter pension benefit level. The Association joined PERA on January 1 of this year, and PERA now provides the official financial calculations for determining pension funding levels.

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According to the PERA report provided to the Council, the fund would remain 119% funded even with the proposed pension increase. Wrolstad, noted this is a strong funding ratio, and the Association is requesting a modest increase to remain conservative given market uncertainty. He also pointed out that many other departments in the county are pursuing similar increases due to strong fund performance. He explained the financial figures in the PERA worksheet, including how liabilities, projected assets, and state aid contribute to the funding ratio. The annual administrative expenses have dropped significantly since joining PERA, and the financial requirement calculation shows no city contribution is required under the requested increase. The Relief Association requested council approval of the increase.

Council member Anderson made a motion to approve Resolution 25-11-05 for the SVF Pension Plan; Council member Meyer seconded; all in favor, all ayes, the motion was approved.

8. UNFINISHED BUSINESS

Council members discussed the next two council meetings for December and January will be held on the second Tuesday of the month.

9. ADJOURN

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

Respectfully Submitted by:
Alisa Bodell,
Deputy City Clerk