1. **CALL TO ORDER**

   Mayor Wallen called the meeting to order at 5:00 p.m.

2. **ROLL CALL**

   Council Members present: Seth Hansen, Rose Johnson, Paul Knier, Mike Wallen, and Scott Zettervall. Also present: City Administrator Clay Wilfahrt, City Clerk Gina Wolbeck, Community Development Director Hanna Klimmek, City Engineer Layne Otteson, Public Works Director Mike Goebel, Police Chief Joel Scharf, and Liquor Store Manager Greg Zurbey.

3. **PROPOSED AGENDA**

   Council Member Johnson motioned to adopt the proposed Agenda as presented. Seconded by Council Member Knier, unanimous ayes, Agenda adopted.

4. **BUSINESS**

4A. **All-Terrain Vehicle Ordinance Discussion**

   Joel Scharf discussed revisions in process to City Code 631.03 (Recreational Vehicles) and asked for Council feedback on implementing the League of MN Cities (LMC) draft ordinance regulations. Scharf also discussed regulations pertaining to Class I All-Terrain Vehicles (ATV), noting that State Statute grants cities the authority to allow for the operation of these types of ATV’s through a permitting process. Scharf clarified that Class I ATV’s cannot be operated on County or State roadways. Scharf noted that these types of ATV’s are very prevalent in the Big Lake area, and typically do not generate complaints unless they are riding in areas they shouldn’t be. Scharf noted that he doesn’t feel this type of permit would be time consuming for Staff and doesn’t feel a permit fee is needed.

   Council discussed the need to keep the permit process simple, and to address violations the same as we do with regular vehicles. Scharf discussed that permits can be revoked if the operator violates City or State laws. Scharf noted that he will confer with LMC to be sure our new code language meets all regulations. Council also discussed including golf cart operation under the new regulations.

   Council directed Staff to proceed with implementing the LMC ATV ordinance regulations, and to allow Class I ATV’s and golf carts with the required permit process. Council clarified that the new regulations will not include snowmobile operation.

4B. **Discuss Reallocation of 2018A Bond Funds**

   Layne Otteson reviewed bonding funds from the 2018 Street Improvement Project that resulted in approximately $150,000 in unspent Bond dollars. Considering this Bond was issued as a 429
Assessment Bond, there are only two options available to use the funds. Option 1 is to fund the 2019 Mill & Overlay project. The money that was allocated for the Mill and Overlay project would go back into the unallocated fund. This would provide flexibility and opportunity to address City needs. Option 2 would be to transfer all unspent Bond monies into the debt fund to make the 2025 payment. These funds would be locked in this fund once transferred, and would sit until 2025.

Council discussed the minimal interest that would be earned regardless of which option is chosen. Mayor Wallen expressed the need for the City’s decision to be measured on how we move forward with future street improvements. Council directed Staff to move on to item no. 4C before making a decision on how to reallocate the unspent Bond dollars.

4C. Discuss Pavement Management Plan

Layne Otteson reviewed the City’s current Pavement Management Plan and costs through 2024, noting that there has been past discussions with Council and Staff regarding deterioration of the existing pavement and water quality impacts. Many streets throughout the City have drainage challenges, high maintenance costs, and segments turning to gravel. Otteson reviewed existing street conditions, the typical street life-cycle, maintenance and pavement rehabilitation options, and reconstruction options. Otteson estimated costs for sealcoating, fog sealing, micro surfacing, and a 2 inch mill/overlay. Otteson noted that micro surfacing can produce a rougher, noisier street, but the cost is substantially less, and explained that there may be some areas that will need a combination of micro surfacing and mill/overlay depending on the condition of the street. Mike Goebel reviewed maintenance processes Public Works has followed the past couple of decades noting the recession caused the City to hold off on certain street and maintenance projects. Otteson discussed the benefits of offering various options to bidders when we do street projects in the future, and noted that State Aid streets have various design constraints that the City is required to follow.

Council reopened item 4B to continue discussion on the reallocation of the 2018A Bond Funds.

Council Member Johnson stressed that if we wait too long to improve our streets, we might be looking at street reconstruction versus other less expensive maintenance options. Johnson also discussed that if we choose Option 2, we could potentially take out less debt for a different project which could have higher or lower interest rates.

Council Member Knier discussed the options we have, noting that if we lock down the unspent dollars in a future Bond payment, at least we know where the dollars will go in the future. Knier stated that he isn’t opposed to Option 1, but wants to get to a point that we manage our streets so we do not have to do to reconstructions. Knier also stated that he would agree to Option 1 as long as it will save us money on street improvements in the long run.

Council Member Zettervall stated the need for the City to identify a street maintenance model and stick to it.
Council directed Staff to proceed with Option 1 that includes using unspent 2018A Bond dollars to fund the 2019 Mill & Overlay Project, and to reallocate funds that were designated towards the 2019 Mill & Overlay back to the unallocated fund balance.

Council also directed Staff to come back to a future Workshop with a revised pavement plan for further Council discussion.

4D. New Ideas Discussion

Council Member Knier asked that the City establish a Street Committee that includes a Council Member, and Knier offered to sit on this committee. Council directed staff to coordinate a Street Committee and appointed Council Member Paul Knier to the committee.

5. OTHER – No other.

6. ADJOURN

Council Member Hansen motioned to adjourn at 5:56 p.m. Seconded by Council Member Knier unanimous ayes, motion carried.

Gina Wolbeck
City Clerk

10/09/19
Date Approved By Council