

**MINUTES**  
**Regular Meeting of Lake Shore City Council**  
**Monday, March 27, 2023**  
**6:00 PM Lake Shore City Hall**

Mayor John Poston called the March 27, 2023, Regular City Council meeting to order at 6:00 p.m. The Pledge of Allegiance was recited.

**Attendance:** Mayor John Poston; Council Members: Andy Stewart, Henry Cote, John Terwilliger, and Wayne Anderson. City Attorney Dan Hawley; City Engineer Dave Reese; City Administrator/Planning Zoning Administrator Teri Hastings; Police Officer Mike Heldt; and City Clerk Patti McDonald were present. The audience included Emma Clarke, Widseth; Dan Determan, Pineandlakes Echo Journalist; and Police Chief Steve Sundstrom. A quorum was present, and the City Council was competent to conduct business.

**GUEST – Lakes Area Food Shelf** – Jean Kraft came before the City Council to thank them for their continued support and give the latest update for the LAFS. In 2021, the food shelf had 4,657 visits, there were 10,978 visits in 2022, with 564 new families served, compared to 151 in 2021. In 2023, there has been a 45% increase in the number of visits over this same period last year.

After spending 2022 holding community focus groups, surveys, and one-one-one meetings to get community input for their 2023-2025 Strategic Plan, LSFS will expand its building space to become a Community Resource Hub. While retaining their core program as a food shelf, they will provide office space to a network of direct service providers to assist people with the multiple barriers they face, beyond hunger.

Jean asked the City of Lake Shore to consider supporting the Lakes Area Food Shelf again when planning the 2024 budget.

**APPROVAL OF MINUTES**

MOTION BY WAYNE ANDERSON TO APPROVE THE FEBRUARY 27, 2023, REGULAR CITY COUNCIL MEETING MINUTES AS PRESENTED. HENRY COTE SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

**REPORTS**

**Police Report** – Police Officer Mike Heldt

Incident Report – In February 2023 there were 87 incidents in the city. There were 44 traffic-related incidents and 43 were miscellaneous department activity.

Annual Fire Report – The 2022 Annual Nisswa Fire Department report was included for your review.

February Fire Report – The Nisswa Fire Department fire report for February was included for review.

**Mayor’s Report** – John Poston shared that the Initiative Foundation sent a thank you for the annual \$1,025 donation. He reported he has been receiving emails from Teri that are really not from her. She has a call into our IT service for evaluation.

**Clerk/Treasurer’s Report** – Patti McDonald

Financials – MOTION BY WAYNE ANDERSON TO APPROVE THE FEBRUARY FINANCIALS AS PRESENTED (CLAIM NUMBERS 40796 THRU 40849 AND NON-CHECK CLAIMS LISTED TO ATTACHED REPORT – TOTAL \$96,195.87). HENRY COTE SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

Pay Bills – MOTION BY WAYNE ANDERSON TO PAY THE BILLS AS SUBMITTED (CLAIM NUMBERS 40849 THRU 40900; AND CLAIMS 1189 THRU 1198 – TOTAL – \$125,633.73). ANDY STEWART SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

2023 Liquor Licenses – Bar Harbor and Zorbaz submitted the proper applications for renewal of their On-Sale, Off-Sale, and Sunday Liquor and tobacco licenses. Lost Lake Lodge and Cowboy’s submitted the proper applications for renewal of their On-Sale, Off-Sale, and Sunday Liquor. Sherwood North submitted the proper applications for renewal of their On-Sale and Sunday Liquor. Agate Lake Resort submitted the proper application for renewal of their On-Sale license. Chief Sundstrom completed the background checks and recommended approval of the renewal licenses. The six businesses have no outstanding balances owed to Cass County or the City.

MOTION BY WAYNE ANDERSON TO RENEW THE 2023 LIQUOR LICENSES FOR BAR HARBOR AND ZORBAZ FOR ON-SALE, OFF-SALE AND SUNDAY LIQUOR AND TOBACCO LICENSES; LOST LAKE LODGE AND COWBOY’S FOR ON-SALE, OFF-SALE, AND SUNDAY LIQUOR; SHERWOOD NORTH FOR ON-SALE AND SUNDAY LIQUOR; AND AGATE LAKE RESORT FOR ON-SALE. HENRY COTE SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

**City Administrator/Planning & Zoning Administrator** – Teri Hastings

Pay Equity Results – The City of Lake Shore received notice of compliance with the Local Government Pay Equity Act.

2023 Fire Contract – On Tuesday, March 8<sup>th</sup> Mayor John Poston and Teri attended the annual fire contract meeting. The proposed 2023 Nisswa Fire contract along with the summary amounts for other contracted entities was included in the council packet. Lake Shore’s total contract amount for 2023 is \$84,128 with an additional \$6,334 for the Firemen's Relief Association. Lake Shore’s share is 31.67% (31.69% in 2022) of the total cost of the Nisswa Fire Department budget. The contract amounts are based on the land and building values of each entity being served by the Nisswa Fire Department

The city also learned that the Fire Department has developed a Capital Improvement Plan and will begin increasing the sinking fund by \$10,000 each year (shared amongst contracted entities) for the next five years to meet the goal of \$105,000 for the sinking fund annually. A draft copy of the CIP is available to review.

MOTION BY HENRY COTE TO APPROVE THE 2023 FIRE CONTRACT AS PRESENTED. ANDY STEWART SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

February Permit Summary – Teri included the February permit summary for review.

**Wastewater/Road Committee** – Wayne Anderson said the committee didn’t meet in March.

Resolution 2023-03-02 – Accepting Road Bid for 2023 Road Projects – Emma reported that the Engineer’s letter of recommendation for bid award states: Pursuant to authority of the Council and after proper legal advertisement, electronic proposals for the 2023 Street Improvements project were obtained at 10:30 a.m. on Wednesday, March 8<sup>th</sup> via electronic on-line submission (QuestCDN), an on-line bidding application. The following bids were received: Knife River Corporation \$556,175.86; Anderson Brothers Construction Company of Brainerd, LLC for \$580,311.01; and Ideal Construction, LLC, \$624,626.26. The Engineering Estimate of the construction cost was \$587,884.25. The bid tabulation was supplied to the Council. The electronic bids were conforming to the digital bidding documents, plans, specifications, and advertisement. Widseth recommends the contract be awarded to Knife River Corporation, the lowest responsible bidder, based on the unit prices on the bid proposal.

MOTION BY WAYNE ANDERSON TO ADOPT RESOLUTION 2023-03-02 TO ACCEPT AND APPROVE THE BIDS FOR THE 2023 ROAD PROJECTS AS PRESENTED AND AWARD THE CONTRACT TO KNIFE RIVER CORPORATION, THE LOWEST RESPONSIBLE BIDDER IN THE AMOUNT OF \$556,175.86. HENRY COTE SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

Geotechnical Quotes for Fritz Loven Bridge – Teri’s staff report indicated the following: Three proposals for the geotechnical testing for the Fritz Loven Bridge were received. Previously, the City Council approved a proposal from Widseth for Engineering services which included the geotechnical testing at an estimate of \$7500.00. Below are Dave Reese’s comments regarding the proposals:

We received 3 Geotechnical quotes for this project and a summary of the proposals are shown below:

American Engineering Testing: \$12,450 (6-9 weeks to completion of report)

Braun Intertec: \$13,690 (10-11 weeks to completion of report)

Chosen Valley Testing: \$11,050 (12-14 weeks to completion of report)

The price of geotechnical testing has gone up. We have a good working relationship with AET and CVT for bridge borings on past projects. AET has been reliable with providing work on time and CVT provided the best price, both provide an acceptable product. For schedule, we recommend AET and for price we recommend CVT. We can usually get preliminary soil boring logs and information from these firms after the field work is done. That would help keep us moving forward with our preliminary engineering work; however, as indicated in the quotes, all the geotechnical firms have a long lead-time to completion of the final report.

Andy asked what the criticality on time to make that decision? Dave answered that from the standpoint of completing the preliminary engineering work, this would push things out with their schedules; although they could still get preliminary information from which ever firm is chosen, they just wouldn’t get the final report until the time schedule they have laid out. Dave felt a public information meeting could still be held with the preliminary information; and this would help them stay on track with the speculative schedule of 2024 construction.

Wayne said after hearing this information and the council approving a quote to move forward, he asked Teri how long it would take to post and set up a public meeting after receiving the preliminary soil boring logs. Teri said a public information meeting would only need 3 days to post as opposed to a public hearing (which is not required).

Henry asked if it would be worth waiting to save money? Dave said from a cost saving standpoint, the city would save about \$1,400.

MOTION BY JOHN TERWILLIGER TO APPROVE THE BID FOR \$11,050 FROM CHOSEN VALLEY TESTING TO COMPLETE THE BRIDGE SOIL BORINGS. ANDY STEWART SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

Wastewater Monthly Report – Pequot Lakes – The operations report for March was included for review.

**Park and Recreation Committee** – Henry Cote said there was not a Park and Recreation committee meeting for the month of March.

**Trail 77** – Teri said the trees will start to be taken down before the required deadline for the endangered long eared bat.

**Personnel** – John Poston/Wayne Anderson – There will be a personnel meeting scheduled soon.

**City Attorney** – Gammello - Pearson – Dan Hawley had nothing to report.

**City Engineer** – Widseth – Dave Reese had nothing more to report.

**OLD BUSINESS** – There was no old business.

**NEW BUSINESS** –

Resolution 2023-03-03 – Adopting Ordinance Amendment/Moratorium re: THC Products – The City of Lake Shore will consider the adoption of ordinance #2003-01 an emergency interim ordinance prohibiting the establishment of new uses, or the expansion of existing uses related to sales, testing, manufacturing, and distribution of THC products.

The Summary of this ordinance states:

That the following summary clearly informs the public of the intent and effect of the Ordinance and is approved for publication: “The purpose of this Ordinance is to authorize a study related to the sales, testing, manufacturing, and distribution of recently legalized consumable cannabinoid products. Staff will then make a recommendation to the City Council about whether the City should amend its zoning, business-licensing, or other general Code provisions related to these types of products and associated uses to better protect the residents of Lake Shore. During the term of this Ordinance, no business, person, or entity may establish a new use or expand an existing use that includes or involves the sale, testing, manufacturing, or distribution of consumable cannabinoid products that were legalized on July 1, 2022, by the Minnesota Legislature's amendment of Minn. Stat. § 151.72.”

**MOTION BY HENRY COTE TO ADOPT RESOLUTION 2023-03-03 AN EMERGENCY ORDINANCE AMENDMENT/MORATORIUM REGARDING THC PRODUCTS. WAYNE ANDERSON SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.**

Resolution 2023-03-04 – Direct Purchase Offer-REXE – Dan Hawley reported on March 8, 2023, the City of Lake Shore sent a Direct Purchase Offer to REXE Properties LLC in the amount of \$17,100.00; REXE Properties LLC signed and provided the City with a Purchase Agreement with a purchase price of \$25,000.00; in light of all the circumstances and facts involved, the Landowner’s offer to sell the easements to the City for the amount offered in the Purchase Agreement is reasonable, necessary for construction of the Trail, and in the best interests of the Citizens of Lake Shore.

**MOTION BY WAYNE ANDERSON TO ADOPT RESOLUTION 2023-03-04 DIRECT PURCHASE OFFER FOR REXE PROPERTIES AS PRESENTED. HENRY COTE SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.**

**ANNOUNCEMENTS/PUBLIC FORUM** –

Reminder – Board of Review – Tuesday, April 11, 2023, at 1:00 p.m. at City Hall

Easter Egg Hunt – Saturday, April 8, 2023, at 11:00 a.m. Sharp, Fritz Loven Park for ages 0 to 10.

**MOTION BY HENRY COTE TO ADJOURN THE MARCH 27, 2023, REGULAR CITY COUNCIL MEETING AT 6:43. PM. JOHN TERWILLIGER SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.**

Transcribed by Patti McDonald  
Lake Shore City Clerk