

**BIG LAKE CITY COUNCIL  
REGULAR MEETING MINUTES  
AUGUST 23, 2023**

**1. CALL TO ORDER**

Mayor Paul Knier called the meeting to order at 6:00 p.m.

**2. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was recited.

**3. ROLL CALL**

Council Members present: Sam Hanson, Paul Knier, Kim Noding, and Paul Seefeld. Council Member Ken Halverson was absent. Also present: City Administrator Hanna Klimmek, City Clerk Gina Wolbeck, Finance Director Deb Wegeleben, City Engineer Layne Otteson, Community Development Director Therese Haffner, City Planner Lucinda Spanier, Police Chief John Kaczmarek, Police Captain Sam Olson, Liquor Store Manager Greg Zurbey, Assistant Liquor Store Manager Megan Knopik, Streets/Parks/Fleet Superintendent Norm Michels, Water/Wastewater Superintendent Dan Childs, Big Lake Student Liaison Allie Cross, and Consultant Planner Kendra Lindahl from Landform.

**4. OPEN FORUM**

Mayor Knier opened the Open Forum at 6:01 p.m.

Cody Coffin, 15993 201st Avenue NW, Elk River – discussed concerns with spot zoning as the parcel being considered for a comprehensive land use plan amendment is surrounded by residential properties. Coffin also stated he is disappointed by how Planning Commissioners treated people speaking during open forum at the meeting on August 2, and commented a statement was incorrectly made that home values would go up because of this project. Coffin stated tax money was a big push for this, not a concern for surrounding residents. Coffin reviewed the General Performance Standards listed in the City’s Comprehensive Plan that specifies the safety and general welfare of the community should be considered.

Travis Pobuda, 19796 County Road 15 NW – discussed he would like to comment on item no. 7A on tonight’s agenda regarding the change of land use for the property located at 19564 CR 15.

Pobuda stated he feels this is not the best development for this area, and the statements made at the August 2 Planning Commission meeting that this project would help increase their property values is incorrect. Pobuda encouraged the City to look at mapping of other cities, noting plopping an industrial park in the middle of a farm field shouldn't be how it happens. Pobuda also discussed efforts of the County, City and Township to pay for County Road 15 improvements. Pobuda encouraged the Council not to approve the Comprehensive Plan Land Use Amendment.

Jack Menkveld; 5023 Malus Drive, New Port, Florida –indicated he owns the property located at 19524 County Road 15, which is adjacent to this proposed project. Menkveld stated he feels this is a bad location for a truck terminal. There is plenty of other commercial industrial/commercial land opportunities that have water and sewer services available to it.

Michael Mansfield, 15683 208<sup>th</sup> Elk River – stated he was never notified of this project, and questioned if impact studies been done on this project. 400 semi-trucks will create a haze, noting if it has to be developed, it should be a solar farm. Mansfield discussed concerns with drainage from the vehicles into our sandy soil.

Mayor Knier closed the Open Forum at 6:10 p.m.

## **5. PROPOSED AGENDA**

Council Member Seefeld motioned to adopt the proposed Agenda with the addition of item no. 7D. Big Lake Lions Club Temporary Liquor License Application. Seconded by Council Member Hanson, unanimous ayes, Agenda adopted.

## **6. CONSENT AGENDA**

Council Member Noding motioned to approve the Consent agenda as presented. Seconded by Council Member Seefeld, unanimous ayes, Consent Agenda approved. The Consent Agenda consisted of: 6A. Approve List of Claims, 6B. Approve Council Workshop Minutes of August 9, 2023, 6C. Approve Regular Council Meeting Minutes of August 9, 2023, 6D. Approve Special Budget Workshop Minutes of August 10, 2023, 6E. Approve Temporary Liquor License to the Wave at Lupulin Brewing on September 12, 2023, 6F. Approve the Non-Royalty Agreement with HomeServe for Residential Service Line Insurance Options, 6G. Authorize Advertising for Full-time Police Officer Position, 6H. Approve Resolution No. 2023-56 entering into a Snow and Ice Control Agreement with Big Lake Township, 6I. Approve Service Agreements with Northland Mechanical Contractors, 6J. Approve Resolution No. 2023-57 approving a 3.2% Off-sale Malt Liquor License to Family Dollar, Inc. dba Family Dollar Store #26637 located at 190 Jefferson Blvd, 6K. Approve Proposal from Structural Building of Minnesota, Inc. for the Big Lake Freedom Rock Canopy Project, 6L. Approve Quote from RTL Equipment, Inc. for the purchase of a 24" Bobcat Asphalt Grinder, and 6M. Approve Hire of Part-time Liquor Clerk Thomas Haugen.

**7. BUSINESS**

**7A. Comprehensive Plan Amendment – Request to Change Land Use for 19564 County Road 15 NW**

Therese Haffner presented the request submitted by Chad Master from Master Family Investments, LLS and Frank Feela from FF Realestate Services, LLC to amend the City of Big Lake Comprehensive Plan Land Use Map to change the land use designation of the property located at 19564 County Road 15 from Agricultural to Industrial. Haffner indicated the applicant intends to operate a maintenance and storage facility for semi-trucks and trailers on a 5-acre portion of the roughly 60-acre site. The 63.25-acre parcel, located on the east side of Big Lake, north of US Highway 10 and the BNSF rail line, and west of County State Aid Highway (CSAH) 15, was annexed into the City in 2009 and at that time was guided for industrial and was part of the planned Big Lake Rail Park project. The project never came to fruition and is currently undeveloped land guided for Agriculture. The property owner has requested to amend the Land Use Map to guide the property for industrial to allow for Industrial development. The concept plan submitted by the applicant proposes to subdivide the property into four lots, with the first phase including a semi-truck maintenance facility and outdoor storage, and future phases to include warehousing. The properties to the north of the subject property, located in Big Lake Township, are zoned General Rural, to the east is CSAH 15 and zoned General Rural in Big Lake Township. The property to the west is within the City of Big Lake and guided and zoned Agriculture. The properties to the south are within Big Lake Township and guided and zoned Industrial, except for an abutting residential parcel at the southwest corner of CSAH 15 and the BNSF rail line. Haffner explained that a Comprehensive Plan is a document that sets forth a vision and goals for a city's future. The Comprehensive Plan contains different elements, including transportation, land use, economic development, and parks and trails. The Comprehensive Plan, which was updated and adopted in 2018 seeks to increase the commercial and industrial tax base to 30-35 percent from 22 percent and to monitor the tax base composition annually and integrate consideration of the fiscal implications of land use, planning and economic development decisions into city policies and decision-making processes. The Comprehensive Plan further identifies the subject property and adjacent property as a potential rail industrial park.

Haffner reviewed at the July 5, 2023 Planning Commission Meeting, the Commission reviewed and held a public hearing on the Land Use Amendment request and recommended tabling the request. At the public hearing, input was received by several neighboring property owners, along with a Township Board Supervisor. There were concerns voiced on allowing a semi-truck maintenance facility near residential properties. Haffner also indicated the applicant has since revised their plan to add two warehouses in the concept plan. During the open forum at the Planning Commission meeting held on August 2, 2023, neighboring property owners shared concerns with the Land Use request change and were not supportive of the proposed change. The Planning Commission

recommended approval of the Comprehensive Plan Amendment to change the Land Use map to Industrial for the Subject Property (6-1) at their meeting on August 2, 2023.

Mayor Knier discussed the parcel was previously zoned Industrial, was changed to Agriculture when the 2018 Comprehensive Plan amendment was done, and Council is now being asked to move the Land Use back to Industrial. This parcel is located along the railroad tracks and at one time was slated to be a rail park. Knier discussed he believes in property rights, noting while we can't predict the future, we do hear quite often when there is a development coming in, there is talk the project is going to ruin a neighborhood, when it very seldom does.

Council Member Noding inquired why the Land Use was changed in 2018. Haffner responded we have no clear information on why the Land Use was changed during the Comprehensive Plan Amendment, and Mayor Knier stated he doesn't recall any discussion on the matter. Hanna Klimmek reviewed discussions from the Comprehensive Plan Amendment taskforce meetings, noting the consultants that worked with us on the project felt development wouldn't occur at this site for many years, so they felt it should be changed back to Agricultural. Noding discussed we did have an extensive plan for a rail park to go on this property, noting the proposed use would not be as heavy of a use as a rail park. Noding stated we are elected to consider the entire City when these projects come forward, as well as to grow our tax base.

Council Member Hanson discussed the County has shown a great deal of interest in this project, noting the City could lose this parcel due to a potential detachment request. The County could then approve the project, noting the City has much stricter screening and buffering regulations compared to Township or County. Noding commented there is the intent for this project to happen, noting the property owner has already applied for detachment and will move forward with that if they need to.

Council Member Seefeld apologized if speakers felt wronged during the Planning Commission Meeting. Seefeld stated he has not changed his position, stating he is in favor of the Comprehensive Plan Amendment as requested by the property owner.

Council Member Hanson motioned to approve Resolution No. 2023-58 approving a Comprehensive Plan Amendment to change the Land Use Map from Agriculture to Industrial for the property located at 19564 CR 15 NW, Elk River, MN, and identified as Parcel No. 65-026-2000. Seconded by Council Member Seefeld, unanimous ayes, motion carried.

**7B. Big Lake Car Condos Third Addition Development Application – Rezone, PUD, and Preliminary/Final Plat Applications**

Kendra Lindahl reviewed the planners report for the Big Lake Car Condos Third Addition

development application. The applications for a Rezoning, Development Stage PUD, Final PUD, Preliminary Plat and Final Plat were submitted by Richard Hinrichs to add a third phase to the Big Lake Car Condo development. Lindahl noted the Planning Commission and City Council reviewed a similar project on this site earlier this year, which received Council approval on May 24, 2023. After approval, the applicant revised his plans and was required to submit a new application. While the project is similar, the review process is slightly different because the new Zoning and Subdivision Ordinances were adopted on April 26, 2023 and this application is subject to the new ordinance standards. This new phase will add 13 additional storage units with six in the northern structure and seven in the southern structure. Lindahl reviewed the existing 5.83-acre parcel is currently vacant land. The property is currently zoned I-1 Industrial Park, and as part of the process for Planned Unit Developments (PUD) in the newly adopted Zoning Ordinance, properties will be rezoned to the PUD zoning district. The applicant is also proposing to plat the Big Lake Car Condos Third Addition to create additional buildable lots for the townhome-style car condo community. Lindahl reviewed design standards including building materials, parking/access, sidewalks, utilities, fencing, landscaping, and signage. Lindahl also discussed requirements of the Homeowners Association Covenants and development fees. Lindahl also discussed the site plan for the project noting it is now two separate buildings, and in the previous version the building connected and closed off. The proposed drive aisle extends through and the applicant has proposed a driveway stopping short of the street and the landscape plan wrapping around a stormwater pond. The City Engineer's recommendation is to connect the drive to the public street, and noted the City Code says you cannot have a cul de sac longer than 500 feet. The length of street from the entry on 198th Avenue is 730 feet so it exceeds our cul de sac length. It is unusual not to have multiple entrances into a project like this, and this project is almost 1,300 feet long from the east end of the site to the west end. Having this length of property, having multiple entrances is very standard in development in Big Lake, as well as other cities. Without this connection, this would exceed our maximum cul de sac length. Staff strongly recommends the Council's approval include a recommendation to include that condition. The sidewalk was originally required to be provided on 198th Avenue, which was also a condition on the previous project. There had been some discussion on the sidewalk last time, as staff had originally suggested a shorter sidewalk along 168th Street where there is a long-term pedestrian connection planned from Highway 10 south. The Planning Commission was in favor of this change. The applicant is also requesting there be a mid-block crosswalk painted on the public street, and Lindahl reviewed staff does not support that concept from a safety standpoint, as we don't like mid-block crossings as people aren't looking for pedestrians in the middle of a block. It becomes a long term maintenance issue for the City and the point of this is some benefit the City gains from the PUD. Lindahl clarified the connection to the west that the Engineer is asking for is the same connection that is on the east end, noting it is not a public access, it is an emergency vehicle access to the west. Lindahl also stated failure to provide a sidewalk on either 168<sup>th</sup> Street or 198<sup>th</sup> Avenue would not meet PUD Benefit standards. The construction of the sidewalk on 168<sup>th</sup> Street, as shown on the plans, is a condition of approval. Mayor Knier discussed the sidewalk placement, noting the point is there will be more development

coming to the south of the car condos. Without installation of a sidewalk on 168<sup>th</sup> Street, it messes up the next development. Mayor Knier recognizes we need a sidewalk there, but asked if it needs to be built now. Lindahl responded if we wait to do the sidewalk, the City would then be responsible to mobilize a crew to construct a future sidewalk, noting typically it is less expensive to build while the development is occurring.

Knier also discussed the developer's request for a mid-block crossing, noting that is where people will most likely cross. Lindahl reviewed drivers generally do not watch for a cross walk not at an intersection. A mid-block crossing could set pedestrians up to think it is safe to cross because the crosswalk is there. Lindahl also noted she understands people cut across wherever they want to. John Kaczmarek discussed the mid-block cross walk located adjacent to a school is more noticeable due to the location of the school campus. He stated he feels it would seem odd to have a mid-block crosswalk in this undeveloped area, noting crosswalks are typically not in the middle of a road. Kaczmarek stated from a public safety standpoint, he feels a crosswalk at an intersection would be most appropriate.

Richard Hinrichs, 161 Mount Curve – discussed that the \$6,800 donation to the City for the sidewalk isn't the problem. It is more of a security issue, noting he would rather donate defibrillators to the City in lieu of installing a sidewalk. Hinrichs discussed there is currently no pedestrian traffic on sidewalks in this area right now, and he has concerns about security and the maintenance of having a sidewalk along his condo project, noting none of his people will benefit from a sidewalk. Hinrichs also reviewed they already have an entrance at the east and north entrances, stating he doesn't feel we need an entrance on the west end as they don't have a use for it. Hinrichs stated there are no other car condo projects in Minnesota that have three entrances, and noted fire trucks wouldn't park in the new drive lane anyway.

Josh Williams from Structural Buildings discussed the public benefit could be for emergency services, and an egress for looping. As a compromise, Williams suggested the entrance be the public benefit and the sidewalk be removed. Mayor Knier discussed it doesn't eliminate the fact that this is a plan that will have an impact on future developments. It was discussed there is a sidewalk on the other side of 168<sup>th</sup> Street already, and as property along 168<sup>th</sup> Street and 198<sup>th</sup> Avenue continues to develop, this area is going to continue to get busier as the park develops. Knier asked if the developer could donate to the Park fund instead of installing the sidewalk. Lindahl responded we generally want to see improvement in the general area of the PUD flexibility area. Staff felt in the scope of the project, a sidewalk was a minor cost to the developer to improve the project. Lindahl reviewed the gate does not qualify for PUD flexibility as it is an engineering/public safety issue. Knier asked if it is legal for the developer to make a donation to the Parks Department. Lindahl stated she has not reviewed that idea with the City Attorney noting they are already required to make a park dedication fee as required by the Development Agreement. Lindahl reiterated, generally we want to see the improvement in the area where the

project is, and she doesn't believe we have any park improvements planned in this industrial park. If the Council wished to do that, she believes we could potentially legally do that. Knier noted he is fine with the concept if it satisfies the requirement, but commented maybe some of the ownership at the condos could do the winter maintenance with equipment they already have stored at the condo, noting they are going to have snow removal in there anyways. Hinrichs responded they spend \$1,000 every time they have the area plowed, and expressed he would rather donate \$6,800 to the City's snow plow equipment rather than have a sidewalk next to his car condos. Council feedback was that they would potentially be in favor of taking a donation towards the Parks Department.

Layne Otteson suggested the City seek legal advice as there could be a legal challenge with the developer donating to the Parks Department to avoid installing a sidewalk; however, if we are talking about a public benefit in the vicinity of the project, maybe there is an improvement they can do adjacent to the street that is pedestrian related. Council feedback was that they would be in favor of further review of a different pedestrian friendly public benefit valued at the same cost as the \$6,800 sidewalk. Lindahl recommended if Council is in favor of this change, we should table the item until the next meeting so we can bring legal counsel into the discussions. Lindahl reminded Council this is the final approval of the project. If staff is concerned that taking a park donation could potentially not be legal, she would not be comfortable doing that. Council Member Seefeld suggested staff negotiate with the developer on acceptable ways to donate the \$6,800 and to work with legal to ensure we are within our legal rights to do so. Lindahl recommended if the Council wants to act on the item tonight, that given the concerns raised by staff, the Council move to approve as recommended by the Planning Commission, but verbalize the applicant can work with staff to come up with an alternate proposal, and then amend the approval at a future meeting. This would give the developer time to move forward on their project. Hinrichs suggested the money just be put into escrow. Lindahl reiterated she recommends Council approve the item as presented in the packet, and after the vote is over, then say on the record to work with staff and come back to a future meeting with an alternate proposal that staff and the applicant can agree on.

Council Member Seefeld motioned to approve Ordinance No. 2023-10 approving rezoning of parcel no. 65-528-0405 to Planned Unit Development (PUD), approve Resolution No. 2023-59 approving a Final Plat and Final PUD for the Big Lake Car Condos Third Addition subject to the conditions identified therein, approve Resolution No. 2023-60 approving Summary Publication of the Rezoning ordinance, approving a Development Agreement with Richard Hinrichs contingent upon review and approval from the City Attorney, and approving a Stormwater Maintenance Agreement with the Big Lake Car Condos LLC contingent upon review and approval from the City Engineer. Seconded by Council Member Hanson, unanimous ayes, motion carried.

Council directed staff to work with the developer to work with staff and come back to a future

meeting with an alternate proposal that staff and the applicant can agree on. Hinrichs asked for clarification if they are stuck with the access as well. Mayor Knier responded there are fire issues in this area that have come up so that was part of the approval. Hinrichs commented they already have an entrance on the east and north ends. Mayor Knier asked Council Member Hanson to respond to Hinrichs concerns as Hanson is on the Fire Department. Council Member Hanson reviewed he reached out to Chief Hanson about comments made by the developer in an effort to figure out where we are at with the access needs of the development. Through his conversations with Chief Hansen, the Chief was mistakenly looking at old renditions of the plan where the developer still had the u-shaped building design. Hinrichs clarified that we were ok'd before without an entrance using the u-shape design, noting now that they have come back with the two buildings, all of a sudden an entrance was added. Hanson stated it was verbally ok'd by the Fire Chief, but upon further review, he has looked at the Fire Code and he has changed his position to follow the recommendation of the City Engineer based upon the findings he had. The Fire Chief did offer one alternative, which is the possibility of a hammerhead turnaround between the new buildings which would require they pave on both ends rather than just using a small piece to butt out to 168<sup>th</sup> Street. Hanson reviewed a hammerhead turnaround would be two new roads going to the north and to the south, in between the new structures and the existing ones. Otteson discussed this type of turnaround would require enough pavement for a 30 foot plus fire engine to turn around, noting an engineer would have to design it with a turning radius so it would be quite large. It also wouldn't solve the problem of circulation through the site. Hanson reiterated we must follow the Fire Code.

Lindahl reviewed we have an approval that is consistent with the plans that have been submitted and as recommended by the Planning Commission. The direction from the Council was for the applicant to work with staff on an alternative to the sidewalk benefit, and certainly they could also ask for an amendment related to the access, although that is something staff continues to say is a condition of the code.

## **7C. Department Reports**

Finance Department - Deb Wegeleben provided the unaudited financial report through July 2023, noting the current outstanding City debt after the 2023 payments will be \$24,488,239. Wegeleben also reminded Council of the upcoming Budget Workshop on August 24 beginning at 4:00 p.m. in the City Council Chambers.

Mayor Knier noted the Liquor Store is at a negative profit right now. Wegeleben responded the numbers include depreciation.

Liquor Store - Greg Zurbey provided an update on the Municipal Liquor Store operations year to date through July 2023, and welcomed new Assistant Manager Megan Knopik and new Full-time



Lead Liquor Clerk Renee Klinkner. Zurbey also reviewed in-store tastings, discussed fundraisers the store participated in, building maintenance needs, expansion of craft beer selections, CBD sales discussions, and online transition discussions.

Mayor Knier asked why staff recommended a change to the stores online vendor. Zurbey – responded our current system is very bare bones, and City Hive is waiving their initial fee, which was very substantial, and they will provide scanning services so we will not have to enter new items. Zurbey also noted this system integrates with our POS system so there will be less labor needed to maintain the site, noting changing over to the City Hive vendor will be a cost savings for the store.

Community Development – Therese Haffner provided an update on activities in the Community Development Department. Klimmek reviewed the Big Lake EDA has sold the parcel at the south east corner of Fern Street and Martin Avenue to Blackbird Laundry Co. LLC, and provided an update on the former school building. Haffner also reviewed recent/current development and redevelopment projects, and provided a year-to-date 2022/2023 permit activity comparison. Haffner reviewed City programming events including the Farmers Market, Music in the Park, and Movie in the Park, and welcomed new Planning Technician Tara Kohl to the Community Development Department.

#### **7C. Big Lake Lions Club Temporary Liquor License Application**

Gina Wolbeck reviewed the Temporary Liquor License application submitted by the Big Lake Lions Club organization for a car show at McPete’s Sports Bar and Grill on September 24, 2023. Wolbeck noted the event does require approval of an Event Permit as they are requesting to close off a portion of Humboldt Drive. The City’s Zoning Department will review the Event Permit application and provide comments/requirements as needed, so the temporary liquor license approval should be contingent upon approval from the City’s Zoning Department.

Council Member Hanson motioned to approve a Temporary Liquor License to the Big Lake Lions Club for a car show event on September 24, 2023 at McPete’s Sports Bar and Lanes located at 590 Humboldt Drive, contingent upon approval from the City’s Zoning Department. Seconded by Council Member Seefeld, unanimous ayes, motion carried.

#### **8. ADMINISTRATOR’S REPORT**

City Administrator Hanna Klimmek discussed the welcome event held on August 21 to welcome 50 new teachers to Big Lake Schools. Every year as part of the on-boarding experience, the new teachers get a tour of the City and City Hall is one of the stops on the tour. Klimmek discussed our second, and last, 2024 City Budget Workshop is scheduled for 4:00 p.m. on August 24th in the

Council Chambers, noting the Workshop will be focused on the Capital Improvement Plan and enterprise funds. Klimmek also reviewed the City of Big Lake has been ranked number 4 for the safest city in Minnesota for 2023. Per the Big Lake Police Department, this wouldn't be possible without the collaboration of all City staff, our Police Department, and our community members.

**9. MAYOR & COUNCIL REPORTS and QUESTIONS/COMMENTS**

Council Member Hanson: reviewed the Big Lake Beyond the Yellow Ribbon Meeting held in August.

Council Member Seefeld: discussed the past Planning Commission Meeting.

**10. OTHER**

Mayor Knier discussed current media rumblings regarding potential mask and vaccination mandates coming back. Knier stressed he will not be in favor of any enforcement of further mask or vaccination mandates, noting his intention is to not comply as it is unconstitutional to do these mandates. People of Big Lake should be responsible for their own health.

**11. ADJOURN**

Council Member Seefeld motioned to adjourn at 7:26 p.m. Seconded by Council Member Noding, unanimous ayes, motion carried.

Gina Wolbeck  
Clerk

Date Approved by Council 09.13.23