

**CITY OF MILACA
COUNCIL MINUTES**

February 19, 2025

Call to Order Roll Call

Mayor Dillan called the meeting of the Milaca City Council to order at 6:01 p.m.

Pledge of Allegiance

Upon roll call, the following council members were present: Mayor Dave Dillan, Councilors: Norris Johnson, Lindsee Larsen, Ken Muller, and Tim Poorker.

Staff present: City Manager Tammy Pfaff, Communications Specialist Mary Mickelson, Chief Quinn Rasmussen, City Attorney Damien Toven, Fire Chiefs Jesse Gerads and Chris Ehlen

Others present: Chloe Smith,

Approval of Agenda

Mayor Dillan called for a motion to approve the agenda. Larsen made a motion for approval, seconded by Johnson. Mayor Dillan requested to add under New Business f. Special Meeting Regarding Milaca Junction Property. With no further discussion, all in favor of the approval of the agenda; motion passes.

Approval of Consent Agenda

Mayor Dillan called for a motion to approve the Consent Agenda.

- a. Approval of Minutes-January 15, 2025
- b. Approval of Bills

Johnson made a motion for approval of Consent Agenda, seconded by Muller. No further discussion. All in favor of the Consent Agenda; motion passes.

Citizen Open Forum

Mayor Dillan asked if anybody present wanted to address anything not on the agenda. No one came forward.

Public Hearing:

Requests and Communications

Ordinances and Resolutions

Ordinance #538 Water Rates and Charges-Adding Bulk Water Rate-First Reading: Mayor Dillan called for a motion for approval. Motion by Larsen, seconded by Muller. City Manager Pfaff stated this is just to add the bulk water rate that was not included in the previous ordinance. Poorker asked if this was effective this year and Pfaff stated we need to hold two readings so next month if it passes, it would be effective. Pfaff further stated most of this happens in the summer when contractors want to get a tank of water. No further discussion. All in favor of Ordinance #538 Water Rates and Charges-Adding Bulk Water Rate First Reading. Motion passes.

Resolution #25-06 Approving Final Layout for TH 23 Project #4801-26: Mayor Dillan called for a motion to approve. Motion made by Johnson, seconded by Larsen. Councilmember Poorker questioned what would happen if we didn't approve this resolution. Mayor Dillan stated it would go back to the next meeting and design phase would stop. Poorker then asked if we had any leverage and City Manager Pfaff stated we did per the Resolution. Mayor Dillan stated the state was pretty deep in the design and was pretty well set. City Manager Pfaff stated the lighting issue with MN DOT was still an issue. MN DOT has decreased the lighting to \$150,000. Poorker then asked if the cost was still the same and asked where the funds were coming from. City Manager Pfaff stated the cost would probably go up due to the cost of supplies and materials. City Manager Pfaff stated that we still have to figure out where the funding is coming from. Some discussion ensued in regard to the intersection/crosswalk by the school. Chief Rasmussen asked if the speed zone was discussed with MN DOT and City Manager Pfaff stated they needed to continue discussions with MN DOT. No further discussion. All in favor of Resolution #25-06 Approving Final Layout for TH 23 Project #4801-26. Motion passes.

Reports of Departments, Boards and Commissions

City Manager – City Manager Pfaff stated Pete Stauber had sent funding requests for 2026. She would like to submit to see if we could get any grant funding for the Milaca Junction Addition for the streets, lighting, storm sewer, etc. Due date is March 14 so she will be working on that if council approves. Mayor Dillan called for a motion to approve. Larsen made the motion, seconded by Poorker. All in favor. Motion for Tammy to pursue the 2026 funding request passes.

Police – Nothing. Chief Rasmussen stated they made a final offer to the police candidate and start date is March 10 with an approximate 3 month training program.

Parks –

Public Works –

Liquor Store –

Fire Department – Fire Chief Gerads stated the new fire engine is done and they will be picking it up on Tuesday. Some accessories still need to be ordered and he hopes to have fire engine in service by May. They have 6 new members starting the Fire I and Fire II training.

Planning and Zoning –

Airport -

Committees

Budget:

EDC:

Unfinished Business

New Business

a. Bids for Reception Areas: Haven Homes & Design \$32,180.00 and Baas Construction \$33,410.00.

Mayor Dillan asked if this was within what we were planning on and City Manager Pfaff stated we had allotted \$54,000 in the budget. Chief Rasmussen asked how the process would be done. Pfaff stated they would be doing one side at a time so both sides were not shut down at the same time. Poorker asked if this was a project that had to be done now and Pfaff stated that it did per the League of MN Cities recommendation for safety for the staff. Poorker then asked if the bids included the bullet-proof glass and Pfaff stated no but that the bullet-proof glass was purchased last year and we were just waiting to get them installed. Poorker then asked what fund this was coming from and Pfaff stated the General Fund. Johnson asked what the timing was on this and Pfaff stated that would be the contractor's choice. Larsen questioned on the Haven Homes there were a lot of "No Quotes" and she asked if we had to get estimates for those later. Pfaff explained that there may be some additional costs depending on what they find during the construction and that there may be some electrical expenses. Larsen then made a motion to accept the bid from Haven Homes for \$32,180.00. Seconded by Poorker. No other discussion. All in favor of bid from Haven Homes for \$32,180.00. Motion passes.

b. Real Estate Request for Proposals Evaluation Score Sheet: Mayor Dillan stated there were 3 realtor proposals for the Milaca Junction Addition that were included in the agenda packet. Muller stated he read through all of them and he likes Sam Johnson's the most as he had the highest percentage. Mayor Dillan stated that Sam had contacted them today and stated he would drop his percentage 1%. City Manager Pfaff stated that his percentage would then be 1%. Poorker asked what the lots were zoned for and City Manager Pfaff stated Commercial B-2. Mayor Dillan called for a motion to approve a bid. Poorker made a motion to approve Parcel Real Estate, seconded by Muller. No other discussion. All in favor of accepting Sam Johnson of Parcel Real Estate's proposal. Motion passes.

Mayor Dillan stated that him and City Manager Pfaff met with the Empowering MN Cities Grant people to discuss the next step. The next step would be to meet with Sam, Tom Fischer from the University of MN, Phil Gravel, and Heidi from Stantec also and open it up to other businesses that may be interested. We hope to have this meeting in the next 2 weeks.

c. Special Event Application-3rd Lair Skate Demo & Project 37 Band Showcase – Mayor Dillan called for a motion to approve. Motion made by Johnson, seconded by Muller. No further discussion. All in favor of Special Event Application-3rd Lair Skate Demo & Project 37 Band Showcase. Motion passes.

d. Special Event Application-Music in the Park (3 dates)- Mayor Dillan called for a motion to approve. Motion made by Muller, seconded by Larsen. No further discussion. All in favor of Special Event Application-Music in the Park. Motion passes.

e. Special Event Application-Runnin' in the Ruff-Mayor Dillan called for a motion to approve. Motion made by Larsen, seconded by Johnson. No further discussion. All in favor of Special Event Application-Runnin' in the Ruff. Motion passes.

f. Special Meeting – This is for that meeting with all those people would also include council. We are looking at the first week in March. Time possibly 5 pm. After some discussion, March 5 at 5 pm was called for a Special Meeting to discuss the Milaca Junction Addition project going forward.

Miscellaneous


Changing the date of the June Council Meeting due to Juneteenth – Parade is June 24th. After some discussion, Muller made a motion for the council date to be changed to June 18th at 6 pm., seconded by Larsen. All in favor. Motion passes.

Council Comments

Johnson stated the streets are nice and clean.


Adjourn:

Mayor Dillan called for a motion to adjourn. Motion made by Johnson, seconded by Muller to adjourn. No further discussion. All in favor, motion to adjourn passes. Meeting adjourned at 6:29 p.m.



Mayor Dave Dillan

Attest:



Tammy Pfaff, City Manager