

Pursuant to due call and notice thereof Mayor Alan Skramstad called to order the regular meeting of the Mora City Council at 6:30 PM on Tuesday, September 21, 2021, in the city hall council chambers.

1. **Roll Call:** Present: Mayor Alan Skramstad, Councilmembers Jody Anderson, Sadie Broekemeier, Jake Mathison, and Kyle Shepard
Absent: none
Staff Present: City Administrator Lindy Crawford, Community Development Director Beth Thorp, Public Works Director Joe Kohlgraf, Accountant Sara King, and Administrative Services Director Natasha Segelstrom
2. **Adopt Agenda:** MOTION made Shepard and seconded by Broekemeier, and unanimously carried out by the City Council to approve the agenda as presented.
3. **Consent Agenda:** Skramstad requested to add item 4i, Resolution 2021-925 Authorization to Execute Airport Grant. MOTION made by Mathison and seconded by Shepard, and unanimously carried by the City Council to approve the consent agenda as amended.
 - a. Work Session Minutes – August 19, 2021
 - b. Regular Meeting Minutes – August 19, 2021
 - c. Work Session Minutes – August 31, 2021
 - d. Special Meeting Minutes – September 7, 2021
 - e. August 2021 Claims
 - f. Approve Hire of Firefighter
 - g. Assessment Services Contract 2022-2023
 - h. Gambling Permit – MN Deer Hunters Association Snake River Chapter
 - i. Resolution 2021- 925 Authorization to Execute Airport Grant
4. **Open Forum:** No one spoke at open forum.
5. **Special Business**
None
6. **Public Hearings**
None
7. **New Business**
 - a. **Final Plat of Fox Run 3rd Addition:** Thorp presented Final Plat for the Fox Run 3rd Addition which would provide 17 single family lots and explained this would be an extension of the existing Fox Run development agreement. The City engineer and city attorney have reviewed without questions and recommend approval to the development agreement. MOTION made by Anderson and seconded by Shepard, and unanimously carried by the City Council to approve Resolution 2021-921, Final Plat of Fox Run 3rd Addition.
 - b. **Amendment to Fox Run Planned Unit Development:** Thorp introduced an amendment to the Fox Run Planned Unit Development and explained City code allowed amendments for minor or major changes. City staff determined this was a minor change and the developer would need an amendment for the setback requirements. Thorp stated this deviation is

consistent with other approvals for this neighborhood and recommended council approval. MOTION made by Broekemeier and seconded by Shepard, and unanimously carried by the City Council to approve Resolution 2021-922, Amendment to the Fox Run Final Plat / Planned Unit Development as Requested by Heartland Acres, Inc.

- c. **Minor Subdivision – City of Mora:** Thorp introduced a minor subdivision at the request of the City of Mora to combine two parcels in the Fox Run Development. The Minor Subdivision would be utilized as a public park in the residential development. Thorp stated minor subdivisions were common and no survey would be required. MOTION made by Mathison, seconded by Anderson, and unanimously carried by the City Council to approve Resolution 2021-923 Minor Sub-division, requested by City of Mora.
- d. **North Grove Street Reconstruction Project:** Crawford introduced a street reconstruction project identifying proposed improvements to North Grove Street from Maple Avenue to West Central Avenue and two blocks of Grove Street between Forest Avenue and Maple Avenue. The reconstruction project would encompass reconstruction of water and sanitary sewer mains, services, and appurtenances; stormwater pipes and appurtenances; streets; curb and gutter; street lighting; and sidewalks or trails and to assess the benefiting properties from a portion of the improvement. Crawford requested City Council move forward with a feasibility study to determine if the proposed improvements were necessary. City engineer Anderson provided a timeline of the project, public meeting requirements and the duration of the project if the City were to move forward after the feasibility study. Anderson recommended a special assessment appraisal and benefit analysis to assist, as residents may challenge the assessment or agree and stated the assessment could not exceed the benefit to the property. Broekemeier asked how this street had been identified. Crawford stated this had been a joint discussion amongst City Council and the PUC recognizing the priority. MOTION made by Mathison, and seconded by Shepard, and unanimously carried by the City Council to approve Resolution 2021-924, Ordering the Preparation of a Feasibility Study Report on Improvement.

8. Old Business

- a. **2022 Preliminary Budget:** Crawford presented the preliminary budget as proposed at the September 7, 2021, meeting no changes. The preliminary property values were now available, and potential household impact was presented. Crawford stated that without the necessary HRA debt levy, there would be no tax increase. Once the preliminary tax levy is set, the levy amount can only decrease. MOTION made by Shepard and seconded by Mathison, and unanimously carried by city council.
- b. **Proposed Fox Run Park Concept:** Council continued discussion on the proposed Fox Run Park Concept and the suggested changes brought forward from the park board which encompassed an additional fence to the rear of the park. Council recognized the urgency for the suggested fence and consensus was made to have the fence included in phase I. MOTION made by Anderson and seconded by Shepard, and unanimously carried by the City Council to approve the proposed Fox Run Park Concept with changes brought forward by the Park Board.
- c. **Airport Hangar Land Lease Agreement:** Thorp recaptured the August 19, 2021, work

session and identified the tracked changes proposed from the city attorney and city insurance agent and addressed major areas of focus brought forward from the Airport Board. The board identified concerns with language used related to insurance and subleased hanger space. Crawford did not recommend the Council adopt the changes based on new information brought forward from Airport Board Chair prior to the meeting and recommended the city attorney and city insurance agent review prior to adoption. Airport Board Member Chair, Nick Stafford expressed concern with proposed liability insurance requirement to the Council. He stated the liability insurance amount exceeded the amount available to general aviation pilots. Stafford stated the Metropolitan Airport Commission recently adopted equivalent coverage to which City Council proposed. Mathison asked where the level of coverage had originated, Thorp explained the suggested requirements had come from the city attorney and city insurance agent. Stafford acknowledged the level of coverage had been standard for businesses but was not available and explained the Aircraft Owner and Pilot Association (AOPA) assisted with legal matters and offered contact information. Crawford stated there was a need for further review and recommended Council table the agreement until further review took place from the city attorney and city insurance agent.

Thorp recaptured concerns presented by City Council regarding the proposed lease. Anderson asked if added expenses incurred from tenant could be included in the sublease agreement. Crawford explained the draft stated there could not be a financial gain for public property and was consistent with recommendations from the city attorney. Stafford addressed the need for hanger space and requested clarification on the language used. He stated the hangar space was not subleased but rather rented space to friends regarding subleasing to ensure compliance. Skramstad explained there had been a concern of owners who no longer used the space for personal aircraft, could lease the hangar space commercially for profit. Crawford stated there had not been a sublease agreement in place previously and the Council acknowledged the Board request for sublease, however, there needed to be regulation. She explained the three-way agreement would be acknowledged and the amount set on the lease. Stafford wanted clarity on what would be considered financial gain. Crawford stated that the sublease amount would not exceed the monthly rate based on how the agreement was written. Stefan Salmonson, Airport Board member expressed concern with the proposed agreement and significant variance in the language used which referenced commercial. He stated the hanger owners owned structures and were not operating in a commercial capacity. Salmonson offered resources within the aviation community that could assist with any questions. Shepard questioned what would stop hangar owners from subletting for an amount that exceeded the monthly lease. Salmonson explained rates in relation to hangar size and aircraft and that would not pose an issue. Mathison recognized that there needed to be further considerations with the hanger lease agreement. Anderson asked if reaching out to the AOPA would be an option. Crawford explained the best interests lie with the city attorney. MOTION made by Shepard, seconded by Mathison, and unanimously carried by the City Council to table the Airport Hanger Land Lease Agreement.

- d. **Housing & Redevelopment Authority of Mora – Merger Discussion Continued:** Crawford recaptured previous discussions and if the HRA would merge with the City and offered to answer further questions. Mayor Skramstad requested further information for the Council for the HRA Operating Levy. Crawford stated the operating levy would not be on taxes payable in 2022 and the deadline for new special tax districts had been July 1, 2021 and

this deadline had not been presented from Ehlers. Skramstad explained the debt levy was still in place and questioned the of the operating funds to assist staffing. Crawford stated there were funds available and was working on the recruitment for part time office assistant. Mathison stressed the need for part time maintenance position. Anderson questioned if the HRA merged with the City, would there be a need for the HRA board and the debt service. Crawford explained there would still be a need for the board and further explained the responsibilities associated with the HRA board and the executive director of the HRA. City Council ensued in conversation on alternative approaches to assist the HRA. Crawford stated the options presented from Ehlers have already been explored.

Skramstad stressed concern of unpaid services Crawford has provided for the HRA and proposed a contract, for work the City and PUC have paid for through Crawford's salary. Broekemeier expressed concern that Crawford would have increased responsibility with the Community Development Director's resignation, and it was not sustainable. She suggested the HRA contact HUD and explain situation with the executive director position and contract for the position. Mathison stated that this approach had been taken. Further discussion ensued amongst council and Broekemeier asked if a contract with the HRA could take place for Crawford's service on an interim basis. Crawford stated interim positions have a sunset date. Broekemeier asked staff's recommendation. Crawford stated she did not recommend the HRA merge with the City. Mathison agreed that a merger would not take place. Discussion ensued amongst the Council, and decided it was not in the best interest of the City to merge with the HRA. MOTION made by Mathison, seconded by Shepard and all in favor to indefinitely table a merger with the City and HRA. Further discussion acknowledged that administrator would not continue working as the interim executive director of the HRA. MOTION made by Broekemeier, seconded by Shepard, and unanimously carried by the City Council. Skramstad stated he would draft a letter to the HRA Board, notifying them of 60-day notice that Crawford would no longer provide executive director services with a sunset date of November 30, 2021.

9. Communications


- a. KCSO Monthly Report – August 2021
- b. MAFD Monthly Report – August 2021
- c. Planning Commission Meeting Minutes – September 13, 2021
- d. Airport Board Meeting Minutes – September 14, 2021
- e. Park Board Meeting Minutes – September 14, 2021

10. Reports

- a. City Administrator: Reported an upcoming presentation at Pine Technical College referencing the Mora Lake outlet pipe.
- b. Councilmember Anderson: Reported the upcoming Fire Ball in the Hall Chili feed for the Mora Area Fire Department and commended staff for their efforts with the annual Fly-In.
- c. Councilmember Broekemeier: Requested staff to reach out regarding the HRA bond agreement to see if an amendment could be made to the restricted bonds.
- d. Councilmember Mathison: Thanked Beth Thorp for her hard work for the City.
- e. Councilmember Shepard: Echoed Mathison, thanking Thorp and invited the staff, council, and community members to Fall Fest and the Grand Opening of the Dog Park.
- f. Mayor Skramstad: Thanked Beth for years to the City. Fly-In photos published in the local newspaper and in the Minnesota Flyer. Recognized quilts of valor

11. **Adjournment:** MOTION made by Shepard, seconded by Broekemeier, and unanimously carried to adjourn at 8:07pm.



Mayor

City Clerk