

**CITY OF MILACA
COUNCIL MINUTES
February 19, 2026**

Call to Order Roll Call

Mayor Dillan called the meeting of the Milaca City Council to order at 5:30 p.m.

Pledge of Allegiance

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

Staff present: City Manager Tammy Pfaff, Assistant City Clerk Deloris Katke, Communications Specialist Mary Mickelson, Police Chief Rasmussen, and City Attorney Damien.

Others present: Marty Nelson, Erika Nelson, Angela Helle, Amanda Isaacson, Shawn Kadelbach, Nick Grahek, Ellen Greener, Lisa Remer(sp)

Approval of Agenda

Mayor Dillan called for a motion to approve the agenda. Johnson made a motion for approval, seconded by Larsen. Mayor Dillan stated there was one addition: add 13 e Possible Change of March Meeting. With no other additions or 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, 2026
- b. Approval of Minutes-Special Meeting January 28, 2026
- c. Approval of Bills
- d. Resolution #26-04 to Summarize Ord. #553 Hours and Access

Mayor Dillan called for a motion to approve the consent agenda. Johnson made a motion for approval, seconded by Larsen. No further discussion. All in favor of approving 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

- a. Milaca Softball Association Board: Angela Helle, co-head softball coach, spoke on behalf of the Milaca Softball Association Board. The board is looking for space to play softball for boys and girls in

Rec Park. They play some of their games down there and they would like to see some maintenance down there: fences, dirt is not great, pitching mound does not line up with home plate, they would like to see a dugout built, and there are some drainage issues. They would like to put 4 softball fields down there. There would be a lot of kids using these fields from all grades. They would like to partner with the city to help develop these fields. This would help keep tournaments more local and host tournaments which would help bring revenue to the city. They would like to fundraise for a tractor to help maintain the fields, build a press box, locker rooms, bathrooms, etc. They are looking into fundraising. They would also like some sort of a concession stand. They would also hope to bring back the slow pitch teams. Lights may have to be moved to fit the arrangements of the fields. The Milaca Softball Board is here tonight to get approval on developing and improving these ball fields. We would need to work together on fundraising and then hopefully in a year to year and a half we could start building. Lisa Remer, President of the Milaca Softball Association Board, stated that these softball programs have grown so much in the last few years and we see a huge opportunity for this to grow here in Milaca. City Manager Pfaff asked if they have searched for grants and they stated they had. Poorker stated that he worked on the Veterans Memorial and stated you need to have a committee of just a few people and to partner with a contractor to give you an estimate of the costs. Then create some flyers, knock on doors and get funding to move ahead on this. It is a great idea. Mayor Dillan stated he feels this is a great idea as well. Larsen asked if they had reached out to other communities to see how they developed their parks through grants – like a storm shelter-to be used in the parks. The board had been in touch with Cambridge and the city did most of the work and the softball and school helped. Poorker stated the city could be the fiscal agents to handle the monies. Mayor Dillan stated the Rum River Community Foundation is open soon to apply for a grant plus they should get some help from the Small Cities Community Development grants.. Johnson stated that it seems like everyone would win in these improvements. Mayor Dillan asked if they were looking for some backing on this and Lisa stated that and to know what the next step would be. City Attorney Toven stated that all questions would not be answered tonight and that yes, they should form a committee. Then have the council pass a motion expressing support for the idea of a joint project as described and directing staff to work with the board to establish a committee to steer the project. Johnson made that motion to express support for the idea of a joint project as described and direct staff to work with the board to establish a committee to steer the project, seconded by Larsen. Poorker stated he would work with the committee. With no further discussion. All in favor. Motion passes.

Ordinances and Resolutions

- a. Ordinance #554 Adult Use Cannabis and Cannabis Business Cultivation – Second Reading- Mayor Dillan called for a motion to approve. Motion by Larsen, seconded by Poorker. No further discussion. All in favor of Ordinance #554 Adult Use Cannabis and Cannabis Business Cultivation – Second Reading. Motion passes.

- b. Resolution #26-05 to set Public Hearing for Small Cities Development Grants - Mayor Dillan called for a motion to approve. Motion by Johnson, seconded by Larsen. City Manager Pfaff stated this is for a \$600,000 grant to compliment the PFA application that we have in right now. So, this would help with the PFA loan for the water tower restoration. No further discussion. All in favor of Resolution #26-05 to set Public Hearing for Small Cities Development Grants. Motion passes.

Reports of Departments, Boards and Commissions

City Manager: Update on MN Hwy 23 Project: The flashing beacon will be funded by federal funding through MN Dot. They agreed to pay \$15,000 of the \$30,000 flashing beacon by the school. I also got notified that the city's portion of 3rd Ave will no longer be a cost to the city. That was like \$585,000. I don't have a final estimate of the city's share but it will be considerably less. Pfaff further stated she is working on the Pete Stauber Community Funding Grant application. We would like to get the Milaca Junction Addition developed so why not include 10th Ave SE in this grant for street and infrastructures.

Pfaff asked for approval from the council to continue with this. She has gone to local businesses to get letters of support for this as well. Motion to approve city manager to continue with grant application made by Johnson, seconded by Larsen. Mayor Dillan stated that he met with Isaac Schultz about the water tower and Schultz stated he could deal with that number for funding of the water tower as that was more do-able. Pfaff stated we should get a support letter from him. No further discussion. All in favor to approve city manager to continue with grant application. Motion passes.

Police – Incident report handout. Police Chief Rasmussen stated Officer Jerde has started and is training with Officer Harris right now. He should be in the schedule by April. And we have a second officer going through the background check right now.

Parks –

Public Works – Authorize Preparation of Plans/Specifications and Bidding for Rum River Cooperative School Utilities Project-Mayor Dillan called for a motion to approve. Motion by Poorker, seconded by Johnson. Pfaff stated the easement is completed. Once we get the bid results we can start with the special assessment with the school and then work on getting a micro loan through MN Rural Water. Mayor Dillan stated he talked with the owner of the current building of Rum River Special Ed and he would like any ideas on what to use the building for in the future. No further discussion. All in favor. Motion to Authorize Preparation of Plans/Specifications and Bidding for Rum River Cooperative School Utilities Project passes.

Liquor Store –

Fire Department –

Planning & Zoning -

Airport- Approve bid documents and advertisement for Milaca Airport Taxilane Reconstruction – Nick Grahek of Bolton and Menk was present. He stated this is the 3rd and final phase of the taxilane reconstruction. This will consist of reclaiming of the existing pavement, stabilization of the subgrade, and reconstruction of new bituminous pavement on the taxilanes/hangar area at the airport. Schedule would be, if approved, to open bids on March 12, review bids on March 19 and acceptance and submit grant request the day after and have MN DOT execute their documents and be underway for May so it can be completed by the fly-in (July 24 completion date). Engineers estimate if \$333,450 with MN Dot Aeronautics share of 90% (\$300,105) and the city's 10% share (\$33,345). Pfaff advised Nick that the March 19 meeting may be changed tonight. Mayor Dillan called for a motion to approve bid documents and advertisement for Milaca Airport Taxilane Reconstruction. Motion by Johnson, seconded by Larsen. Poorker asked when this would start and Nick replied by May with a deadline of July 24. No further discussion. All in favor. Motion to approve bid documents and advertisement for Milaca Airport Taxilane Reconstruction passes.

Committees

Budget:

EDC:

Unfinished Business

New Business

a. Personnel Policy – Mayor Dillan called for a motion to approve. Motion by Johnson, seconded by Poorker. Johnson asked what were the changes and Pfaff stated the MN Paid Leave, Hardware, Internet and Data Retention. Poorker asked about performance reviews and if they were done yearly. Pfaff stated yes. He asked about the DEI section on Page 153 and wanted to know what reserved meant. Pfaff stated the state may be changing this and is basically just a place holder until that gets update. Mayor Dillan stated this is revisable if needed. No further discussion. All in favor. Motion to approve Personnel Policy passes.

b. Minor Lot Split Application for Milaca Mini Storage - Mayor Dillan called for a motion to approve. Motion by Poorker, seconded by Johnson. Poorker asked what the reason for the split was and Pfaff stated it was to sell that north lot, and it sounds like it may be sold already. Poorker then asked if there should be an easement? Pfaff stated the city wouldn't need an easement but if the two landowners wanted an easement for parking, that would be between them. No further discussion. All in favor. Motion for Minor Lot Split Application for Milaca Mini Storage passes.

c. Call for a Work Session/Special Meeting for Police Hiring Issues-discussion ensued and it was decided to have meeting on February 24 at noon. Mayor Dillan called for a motion for a special meeting on Tuesday, February 24, 2026 at noon. All in favor. Motion passes.

d. Special Event Application for Milaca Area Tourism Bureau for a Lighted Trail Walk- Mayor Dillan called for a motion to approve. Motion made by Larsen, seconded by Poorker. No further discussion. All in favor. Motion for Special Event Application for Milaca Area Tourism Bureau for a Lighted Trail Walk passes. Mayor Dillan stated the tourism board is doing a fantastic job.

e. Change March City Council Meeting – Meeting is scheduled for March 19 but Mayor Dillan may be gone. Asked if meeting could be pushed a week to the 23rd or 24th? March 24, 2026 at 6:00 p.m. was decided on. Mayor Dillan called for a motion to approve. Motion by Larsen, seconded by Johnson. No further discussion. All in favor. Motion passes.

Miscellaneous

Council Comments

Poorker asked what a timeline was for Tammy's retirement. She stated she is working on a plan and will bring it to council. She has not set a date yet for retirement. There is a lot to go through and a lot going on. Mayor Dillan said there may be some candidates that applied through the county that may be qualified for city applicants.

Adjourn:

Mayor Dillan called for a motion to adjourn. Motion made by Poorker seconded by Larsen to adjourn. No further discussion. All in favor, motion to adjourn passes. Meeting adjourned at 6:22 p.m.



Mayor Dave Dillan

Attest:



Tammy Pfaff, City Manager