

**CITY OF MILACA
COUNCIL MINUTES**

July 17, 2025

Call to Order Roll Call

Mayor Dillan called the meeting of the Milaca City Council to order at 6:00 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, Assistant City Clerk Deloris Katke, Police Chief Quinn Rasmussen, City Attorney Damien Toven, Milaca Off Sale Manager Vicki Jeys and Fire Chief Jesse Gerads.

Others present: Chris Carlson-Borgholm Township, Chloe Smith

Approval of Agenda

Mayor Dillan called for a motion to approve the agenda. Larsen made a motion for approval, seconded by Muller. 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-June 18, 2025
- b. Approval of Bills
- c. Quarterly Financial Reports
- d. Resolution #25-21 Accepting Donation

Johnson made a motion for approval of Consent Agenda, seconded by Muller. Pfaff stated she was incorrect last month and there is a sewer cap during the months of June, July, August and September. 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. Chris Carlson from Borgholm spoke and wanted to thank the city and city council and Tammy and her staff for getting the airport road done. He was appreciative and stated this is what happens when two government entities work together.

Public Hearing:

Requests and Communications

Ordinances and Resolutions

- a. **Ordinance #544 Solar Energy Systems-Second Reading:** Mayor Dillan called for a motion to approve. Motion by Muller, seconded by Larsen. No further discussion. All in favor of Ordinance #544 Solar Energy Systems Second Reading. Motion passes.
- b. **Ordinance #545 Adopting Supplement to the Code of Ordinances-First Reading:** Mayor Dillan called for a motion to waive the second reading. Motion by Poorker, seconded by Johnson. All in favor. Motion passes. Mayor Dillan called for a motion to approve first reading of Ordinance #545. Motion by Johnson, seconded by Larsen. No further discussion. All in favor of Ordinance #545 Adopting Supplement to the Code of Ordinances; motion passes.
- c. **Ordinance #546 Amending Chapter 50.04(D) Licensed Collector; Duties and Obligations-First Reading:** Mayor Dillan called for a motion to waive the second reading. Motion by Larsen, seconded by Poorker. All in favor. Motion passes. Mayor Dillan called for a motion to approve first reading of Ordinance #546. Motion by Larsen, seconded by Muller. No further discussion. All in favor of Ordinance #546 Amending Chapter 50.04(D) Licensed Collector; Duties and Obligations; motion passes.
- d. **Resolution #25-22 Resolution for Authorization to Summarize Ordinance #544 for Publication Purposes:** Mayor Dillan called for a motion to approve. Motion by Johnson, seconded by Muller. No further discussion. All in favor of Resolution #25-22 Resolution for Authorization to Summarize Ordinance #544 for Publication Purposes; motion passes.
- e. **Resolution #25-23 Accepting Preliminary Plat and Final Plat for Milaca Junction Addition.** Mayor Dillan called for a motion to approve. Motion by Muller, seconded by Johnson. Mayor stated this had gone before Planning Commission and they had no changes. No further discussion. All in favor of Resolution #25-23 Accepting Preliminary Plat and Final Plat for Milaca Junction Addition; motion passes.

Reports of Departments, Boards and Commissions

City Manager – Nothing

Police – Chief Rasmussen stated they had a POST Board compliance review and everything went well. Mayor Dillan also congratulated Jeff Shaw on his retirement.

Parks –

Public Works – Pfaff stated that Gary has submitted a grant to the Mille Lacs County Opioid opening for 3 AED machines. We should know in October. Same type that First National Bank is putting in Rec Park.

Contractor's Request for Payment No. 7 to Northern Lines Contracting in the Amount of \$153,294.37 (110th Avenue Project-Airport Road): Mayor Dillan called for a motion to approve. Motion by Johnson, seconded by Muller. No further discussion. All in favor of the Contractor's Request for Payment No. 7 to Northern Lines Contracting in the Amount of \$153,294.37 (110th Avenue Project-Airport Road). Motion passes

Bid Approval for 1st St Sidewalk 2025 Project: Mayor Dillan called for a motion to approve. Motion by Johnson, seconded by Larsen. Molitor Excavating was low bid at \$209,869.00. Mayor Dillan asked if there was a timeline and Pfaff stated hopefully in August. Poorker asked if the construction would affect the proposed Autistic Center being built and Pfaff stated that it might be a while before he starts the

apartment complex. Sidewalk should be done by then. Johnson asked if the curb cut that is there right now if that would be gone and Pfaff stated yes it would. This should make an additional 2-3 spots. No further discussion. All in favor of Bid Approval for 1st St Sidewalk 2025 Project awarded to Molitor Excavating at \$209,869.00; motion passes.

Liquor Store – Vicki handed out information in regard to sales. She stated she would like to see the Ordinance changed to allow THC samples in the store. She further stated THC sales are up \$6,600 over last year. Year to date we are at \$31,565. THC sales are almost as high as the Non-Alcoholic sales. She stated a lot of people have quit drinking and gone to THC and that is why she would like to have taste tests in the store. Vicki continued to say that sales are down \$11,481 from last year to date but total profits are up \$6,903 from last year.

Fire Department – Fire Chief Jesse Gerads stated the golf tournament was last Saturday and was very, very busy and well attended. We have our 6 new hires fully trained so we are now fully staffed. The first time since 18 years! Open house will be second Saturday in October.

Planning and Zoning –

Airport -

Committees

Budget:

EDC:

Unfinished Business

New Business

a. **Special Event Application for Airport Fly-In Breakfast and Car Show:** Mayor Dillan called for a motion to approve. Motion by Muller, seconded by Poorker. Mayor Dillan stated the car show is new. Johnson asked where this was going to be held and Pfaff stated out at the airport. No further discussion. All in favor of Special Event Application for Airport Fly-In Breakfast and Car Show; motion passes.

b. **Special Event Application for Night to Unite/Kids Hands-On Event:** Mayor Dillan called for a motion to approve. Motion by Larsen, seconded by Johnson. Mary Mickelson stated Chief Rasmussen will be in the dunk tank. No further discussion. All in favor of Special Event Application for Night to Unite/Kids Hands-On Event; motion passes.

c. **Internal Control Policy:** Mayor Dillan called for a motion to approve. Motion by Muller, seconded by Larsen. Mayor Dillan asked if this is what comes out of our audit every year. Pfaff explained we had an informal policy and the auditors wanted a more official policy. Mayor Dillan stated that even though we have this policy, there still will be a lack of segregation of duties. Poorker asked if any of this was new and Pfaff stated no, just needed an official policy. No further discussion. All in favor of Internal Control Policy; motion passes.

Miscellaneous

Council Comments

Poorker just stated that it sounds like the audit went well and congratulations. Larsen just commented that the airport road is nice. Johnson expressed his appreciation to the staff on the audit. Dillan stated that the Movie in the Park got switched from Friday night to Saturday night due to the chance of rain and a reminder that Music in the Park is tonight. Mayor Dillan stated they met with the Empowering Small MN Communities, and met with MN Planning Group and they will choose 5-6 communities to work with. They have some very good ideas for our parks.

Adjourn:

Mayor Dillan called for a motion to adjourn. Motion made by Muller, seconded by Poorker to adjourn. No further discussion. All in favor, motion to adjourn passes. Meeting adjourned at 6:23 p.m.


Mayor Dave Dillan

Attest:


Tammy Pfaff, City Manager