



**CITY OF CLOQUET**

**City Council Agenda**

**Tuesday, May 4, 2021**

**6:00 p.m.**

**AMENDED**

**VIA TELECONFERENCE**

**Council Meeting: + 1 (786) 535-3211**

**Access Code: 186-745-597**

1. **Roll Call**

2. **Pledge of Allegiance**

3. **Approval of Agenda**

- a. Approval of May 4, 2021 Council Agenda

4. **Approval of Council Minutes**

- a. Regular Council Minutes from the April 20, 2021 meeting

5. **Public Comments**

*Please give your name, address, and your concern or comments. Visitors may share their concerns with the City Council on any issue of public business. Each person will have 3 minutes to speak. The Mayor reserves the right to limit an individual or successive individual's presentation if they become redundant, repetitive, irrelevant, or overly argumentative. All comments will be taken under advisement by the City Council. No action will be taken at this time.*

6. **Consent Agenda**

Items in the Consent Agenda are considered routine and will be approved with one motion without discussion/debate. The Mayor will ask if any Council members wish to remove an item. If no items are to be removed, the Mayor will then ask for a motion to approve the Consent Agenda.

- a. Resolution No. 21-25, Authorizing the Payment of Bills and Payroll  
b. Approval of New On-Sale Liquor License – Pedro's Grill & Cantina

7. **Public Hearings**

There are none.

8. **Presentations**

There are none.



**CITY OF CLOQUET  
City Council Agenda  
Tuesday, May 4, 2021  
AMENDED**

**9. Council Business**

- a. Year End Transfers for 2020
- b. Approval of Pine Valley Single Track Mountain Bypass Trail
- c. Resolution No. 21-26, Awarding Spring Lake Reservoir Bid
- d. Public Works Position Appointment – M. Skramstad
- e. Ordinance No. 495A, Creating an Administrative Offense for the Sale of Dogs and Cats by a Retail Establishment – Second Reading
- f. Ordinance No. 496A, Providing for the Repeal of Cloquet City Ordinance Numbers 465A, 472A, and Section 9.2 of the Cloquet City Code Requiring Project Labor Agreements – Second Reading
- g. Liquor License Fees Discussion

**10. Council Comments, Announcements, and Updates**

**11. Adjournment**

Via Teleconference  
6:00 P.M. April 20, 2021

Regular Meeting

DRAFT

Roll Call

Councilors Present: Carlson, Lamb, Swanson, Kolodge, Jaakola, Mayor Maki

Councilors Absent: Wilkinson

Pledge of Allegiance

**AGENDA**

**MOTION:** Councilor Kolodge moved and Councilor Carlson seconded the motion to approve the April 20, 2021 agenda. The motion carried unanimously (6-0).

**MINUTES**

**MOTION:** Councilor Carlson moved and Councilor Jaakola seconded the motion to approve the Regular Meeting minutes of April 6, 2021 as presented. The motion carried (6-0).

**PUBLIC COMMENTS**

There were none.

**CONSENT AGENDA**

**MOTION:** Councilor Lamb moved and Councilor Swanson seconded the motion to adopt the Consent Agenda of April 20, 2021, approving the necessary motions and resolutions. The motion carried unanimously (6-0).

- a. Resolution No. 21-22, Authorizing the Payment of Bills
- b. Consideration of Appointment to the Housing and Redevelopment Association (HRA) – Birnstihl
- c. Approval of New Therapeutic Massage Therapist License – He
- d. Approval of New Pawnshop License – Marksman Trading Post, Inc.

**PUBLIC HEARINGS**

There were none.

**PRESENTATIONS**

- a. Mayor's Proclamation – Arbor Day in the City of Cloquet
- b. Library Board Presentation – Larry Anderson

**APPROVAL OF PUBLIC WORKS POSITION APPOINTMENT**

**MOTION:** Councilor Lamb moved and Councilor Jaakola seconded the motion to approve the probationary appointment of David Sobczak to the position of Truck Driver/Utility Maintenance Person effective April 26, 2021. The motion carried unanimously (6-0).

**ORDERING THE REMOVAL OF A PUBLIC NUISANCE AND HAZARDOUS BUILDINGS**

**MOTION:** Councilor Kolodge moved and Councilor Carlson seconded the motion to approve **RESOLUTION NO. 21-23, ORDERING THE REMOVAL OF A PUBLIC NUISANCE AND HAZARDOUS BUILDINGS AT 114-14<sup>TH</sup> STREET, CLOQUET, MN.** The motion carried unanimously (6-0).

**WHEREAS**, pursuant to Cloquet City Code §§ 10.3.07 subd. 1 and 7.1.01 to 7.1.07 and Minn. Stat. §§ 463.15 to 463.25, the City Council of the City of Cloquet finds that structures on the property located at 114<sup>th</sup> Street, Cloquet, MN (PIN 06-110-2020),

owned by Julie Skutevik, to be a public nuisance and hazardous buildings for the following reasons:

1. An inspection on June 8, 2020 by the Cloquet Building Official documented that the two westerly greenhouses immediately behind the former Floral Shop were structurally compromised and required removal as outlined below:
  - There are 3 accessory structures between the garage and store front, formerly used as greenhouse space for the former flower shop.
  - The middle section of greenhouse collapsed due to snow load during the winter of 2019-2020.
  - The section of greenhouse directly behind the storefront is in poor physical condition and is structurally compromised.
2. On June 19, 2020, the Cloquet Building Official issued an Order to Remove Hazardous Building Structures at 114 14<sup>th</sup> Street (Two Accessory greenhouse structures) and provided a period of 90-days to remove the structures.
3. On September 19, 2020, the Cloquet Building Official inspected the property and little progress was made in clearing. The property owner requested additional time to clear which the Building Official granted until October 15, 2020.
4. On October 15, 2020, the Cloquet Building Official re-inspected the property and met with the owner onsite informing her that compliance had not been met and the City would seek a court order to demolish unless owner provides consent for clearing.
5. On October 15, 2020, the City sent request for bids to five local demolition contractors and received three bids back.
6. During late 2020 and early 2021, it was determined that the owner could not give consent to the City due to property title issues. The owner and family members then proceeded to clear title to the property so that consent could be provided to the City.
7. On April 9, 2021, consent to remove the hazardous structures was signed by the owner and notarized by the City pursuant to Minn. Stat. § 463.151.
8. On March 16, 2021, the property owner, Julie Skutevik, applied for Disabled Homeowners Deferral of Special Assessments with the City Administrator, pursuant to Cloquet City Code Sec. 12.2.11, following which the City Administrator determined that the applicant is legally disabled and qualifies for a deferral under Sec. 12.2.11.2(J) "Exceptional and Unusual Circumstances" in owning a primary residence and a commercial greenhouse business, both being located on the same parcel of property.

**WHEREAS**, the conditions listed above, which are more fully documented in the Building Inspection photos and Report prepared by Building Official Matt Munter on June 8, 2020, a copy of which is attached hereto as Exhibit A, which conditions have further deteriorated to date, make clear that due to partial demolition, neglect and deterioration, the accessory structures located on the property at 114 14<sup>th</sup> Street constitute a hazard to public health and safety, and is therefore declared to be a Public Nuisance and Hazardous Buildings; and

**WHEREAS**, the legal description for 114 14<sup>th</sup> Street is as follows:

Lot 4, Block 8, DIXON'S ADDITION to Village, now City of Cloquet, according to the recorded plat thereof, on file and of record in the office of the County Recorder, Carlton County, Minnesota.

**WHEREAS**, the owner of record of said property is Julie Skutevik, (herein OWNER).

**WHEREAS**, OWNER has failed to comply with the June 8, 2020 Order to Remove Hazardous Buildings due to the expenses involved, but has provided consent to the City; and

**WHEREAS**, the City may proceed with demolition of the Hazardous Buildings by signed Consent from OWNER, pursuant to Minn. Stat. § 463.151, allowing City to perform any demolition and cleanup that is necessary, to remove the Public Nuisance and Hazardous Buildings, and to charge any costs thereby incurred by the City as a special



assessment against the property, payable in up to five equal annual installments at 8% per annum; and

**WHEREAS**, OWNER qualifies for a deferral of special assessments as a disabled homeowner which deferral may be reviewed annually, and may be revoked and said special assessment become due in full upon a change in ownership or loss of disability status, pursuant to Cloquet City Code Sec. 12.2.11; and

**WHEREAS**, bids for demolition and cleanup of the two greenhouses which constitutes a Public Nuisance and Hazardous Buildings at 114 14<sup>th</sup> Street have been received in amounts ranging from \$5,938 to \$7,550.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA**, as follows:

1. That pursuant to the foregoing findings, incorporated herein and made a part hereof, and in accordance with Cloquet City Code § 7.1.07, and Minn. Stat. § 463.15 to § 463.25 (as appropriate), the Council orders the demolition and cleanup of the two structurally compromised accessory greenhouse structures at 114 14<sup>th</sup> Street, which constitutes a Public Nuisance and Hazardous Buildings, which cleanup shall be commenced by City or any of its designated agents as soon thereafter as is reasonably possible, according to the OWNER's Consent to Enter Property for Removal of Public Nuisance and Hazardous Buildings.
2. That in accordance with Minn. Stat. § 463.21 & § 463.24, when said Public Nuisance and Hazardous Building/Excavation is cleaned up and removed by the City, the City may sell personal property, fixtures, and/or salvage materials at public auction after three days posted notice, or if without appreciable value, the City may destroy the same.
3. That the Council approves a payment of up to \$5,938 in demolition and cleanup costs by the City which will be specially assessed against the property and collected in accordance with Minn. Stat. §§ 463.151, and 463.21, and shall be payable in a single payment at 8% per annum interest, subject to a deferral as an approved Disabled Homeowners Deferral of Special Assessments pursuant to Cloquet City Code Sec. 12.2.11, payable in full at such time as the deferral requirements for disability and ownership are no longer met. The Council further approves a no-fee demolition permit; however, a permit must be pulled by the contractor hired by the City with inspections to be conducted by the City.
4. That the City Administrator and the City Attorney are hereby authorized to proceed with the preparation of all documents and the taking of all actions necessary for enforcement of this Resolution/Order.

**AWARD OF THE PROPOSED 2021 14<sup>TH</sup> STREET UTILITY IMPROVEMENTS**

**MOTION:** Councilor Swanson moved and Councilor Carlson seconded the motion to adopt **RESOLUTION NO. 21-24, RECOMMENDING AWARD OF THE 2021 14<sup>TH</sup> STREET UTILITY IMPROVEMENTS**. The motion carried unanimously (6-0).

**WHEREAS**, A resolution of the Council adopted on October 1, 2019, entered a Construction Agreement with Carlton County for the improvement of 14<sup>th</sup> Street; and

**WHEREAS**, A resolution of the Council adopted on October 20, 2020, ordered the improvement of 14<sup>th</sup> Street; and

**WHEREAS**, Carlton County advertised for and received the following bids for the project:

No.	Bidder	Total Bid
1	RL Larson Excavating, Inc.	\$3,062,350.47
2	Ulland Brothers, Inc.	\$3,207,700.00
3	Veit & Company, Inc.	\$3,267,949.95
4	KGM Contractors, Inc.	\$3,312,872.33
5	Northland Constructors of Duluth, Inc.	\$3,397,800.00
6	TNT Construction Group LLC	\$4,075,000.00
	Engineer's Estimate	\$3,491,302.30

**AND WHEREAS**, The apparent low bid from RL Larson Excavating Inc. was found to meet the minimum bid requirements.

**NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA**, That the City Council recommend award of the 14<sup>th</sup> Street Improvement (phase 1) to RL Larson Excavating Inc in the amount of \$3,062,350.47.

**ORDINANCE CREATING AN ADMINISTRATIVE OFFENSE FOR THE SALE OF DOGS AND CATS BY A RETAIL ESTABLISHMENT – FIRST READING**

**MOTION:** Councilor moved and Councilor seconded the motion to approve **ORDINANCE NO. 495A, CREATING AN ADMINISTRATIVE OFFENSE FOR THE SALE OF DOGS AND CATS BY A RETAIL ESTABLISHMENT**. The motion carried unanimously (6-0).

**Section 1. City Code Amendment.** That the Cloquet City Code, be amended by adding a new Section 8.7 to Chapter 8, to read as follows:

**Section 8.7: Sale of Dogs and Cats by Retail Establishment**

**8.7.01. Background.** A significant number of puppies and kittens sold at pet stores come from large-scale, commercial breeding facilities where the health and welfare of the animals are not adequately provided for. The documented abuses endemic to mass breeding facilities include over-breeding; inbreeding; minimal to non-existent veterinary care; lack of adequate and nutritious food, water and shelter; lack of socialization; lack of adequate space; lack of adequate exercise; no or limited screening of genetic diseases; inadequate transportation and shipping protocols of puppies and kittens; and indiscriminate disposal of breeding dogs and cats who have reached the end of their profitable breeding cycle.

The inhumane conditions in mass breeding facilities lead to health and behavioral issues in the animals bred in those facilities, which many consumers are unaware of when purchasing animals from pet stores due to both a lack of education on the issue and misleading tactics of pet stores in some cases. These health and behavioral issues, which may not present themselves until sometime after the purchase of the animals, can impose exorbitant financial and emotional costs on consumers.

Current Federal and State regulations do not properly address the sale of dogs and cats in pet stores. Due in large part to pet overpopulation, numerous dogs and cats are euthanized. Restricting the retail sale of puppies and kittens is likely to increase demand from animal shelters and rescue organizations, which will likely reduce the burden on such agencies and reduce financial costs on local taxpayers.

Across the country, thousands of independent pet stores as well as large chains operate profitably with a business model focused on the sale of pet services and supplies and not on the sale of commercially bred dogs or cats. Many of these stores collaborate with local animal shelters and rescue organizations to offer space and support for showcasing adoptable homeless pets on their premises.

This Ordinance will not affect consumers' ability to obtain a dog or cat of their choice directly from an animal shelter, or breed-specific rescue organization, or from a breeder where the consumer can see directly the conditions in which the dogs or cats are bred or can confer directly with the breeder concerning those conditions.

The City Council for the City of Cloquet believes it is in the best interests of the City of Cloquet to adopt reasonable regulations to reduce costs to the City and its residents, protect the citizens of the City who may purchase dogs or cats from a pet store or other business establishment, help prevent inhumane breeding conditions, promote community awareness of animal welfare, and foster a more humane environment in the City.

**8.7.02 Pet Stores**

A. No pet store shall sell, deliver, offer for sale, barter, auction, give away, or otherwise transfer or dispose of cats or dogs.

B. Nothing in this section shall prohibit pet stores from collaborating with animal shelters, animal rescue organizations, and animal control authorities to offer space for

such entities to showcase adoptable dogs and cats inside pet stores. Such animals shall not be younger than 8 weeks old.

C. A pet store shall post and maintain a Certificate of Source in a conspicuous place on or within three feet of each dog's or cat's kennel, cage, or enclosure.

1. A Certificate of Source shall be provided to the adopter of any dog or cat.
2. Certificate of Source records for each dog or cat shall be maintained by a pet store for at least one year from the last date that a dog or cat appeared in the store.
3. Pet stores shall make Certificates of Source immediately available for review upon the request of a peace officer or animal control authority, or a humane agent pursuant to Minnesota Statutes section 343.06 acting on behalf of the City.
4. Falsification of a Certificate of Source shall be deemed a violation of this section.

D. A violation of this section shall constitute an Administrative Offense under Chapter 15 of City Code and subject the Pet Store Operator to the to the procedures and penalties contained therein.

**Section 2. Effective Date:** This ordinance shall take effect and be in force from and after its passage and publication in accordance with the law.

**FIRST READING - ORDINANCE NO. 496A, PROVIDING FOR THE REPEAL OF CLOQUET CITY ORDINANCE NUMBERS 465A, 472A AND SECTION 9.2 OF CITY CODE REQUIRING PROJECT LABOR AGREEMENTS**

City Administrator Peterson stated this is the first reading of Ordinance No. 496A and no Council action will be made tonight. The second reading and Council action will take place at the May 4, 2021 City Council meeting.

Mr. Peterson invited public comment relating to Project Labor Agreements at this time. Comments were heard from the following individuals in favor or the PLA:

Daniel Gilbert, International Union of Operating Engineers, Local 49  
 Craig Olson, International Union of Painters and Allied Trades  
 Andrew Campeau, Plumbers, Pipefitters, Steamfitters, Service Techs Local 11  
 Dan Smith  
 Derek Peterson  
 Dan Olson

Lee Anderson spoke against PLAs and encouraged Council to repeal the PLA.

No comments or questions were heard from City Councilors.

**COUNCIL COMMENTS, ANNOUNCEMENTS AND UPDATES**

Councilor Swanson thanked the Library staff, Foundation and Board for all their work on the library expansion.

**ADJOURNMENT**

On a motion duly carried by a unanimous yea vote of all members present on roll call, the Council adjourned.

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Tim Peterson, City Administrator



**ADMINISTRATIVE OFFICES**

101 14th Street Cloquet, MN 55720-1903  
Phone: 218.879.3347 Fax: 218.879.6555  
www.cloquetmn.gov

**REQUEST FOR COUNCIL ACTION**

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To: Mayor and City Council *NA*  
From: Mary Kay Hohensee-Mayer, Assistant Finance Director  
Reviewed by: Tim Peterson, City Administrator  
Date: May 4, 2021

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**ITEM DESCRIPTION:** Payment of Bills and Payroll

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**Proposed Action**

Staff recommends the Council move to adopt **RESOLUTION NO. 21-25, A RESOLUTION AUTHORIZING THE PAYMENT OF BILLS AND PAYROLL.**

**Background/Overview**

Statutory Cities are required to have most claims authorized by the city council.

**Policy Objectives**

MN State Statute sections 412.271, Claims and Disbursements for Statutory Cities.

**Financial/Budget/Grant Considerations**

See resolution for amounts charged to each individual fund.

**Advisory Committee/Commission Action**

Not applicable.

**Supporting Documents Attached**

- a. Resolution Authorizing the Payment of Bills and Payroll
- b. Vendor Summary Report
- c. Department Summary Report

**CITY OF CLOQUET  
COUNTY OF CARLTON  
STATE OF MINNESOTA**

**RESOLUTION NO. 21-25**

**A RESOLUTION AUTHORIZING THE PAYMENT OF BILLS AND PAYROLL**

**WHEREAS,** The City has various bills and payroll each month that require payment.

**NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA,** That the bills and payroll be paid and charged to the following funds:

101	General Fund	\$	456,435.59
202	Federal CDBG Loan (EDA)		472.50
600	Water - Lake Superior Waterline		51,463.84
601	Water - In Town		43,016.20
602	Sewer Fund		100,012.07
700	Employee Severance		247.85
	<b>TOTAL:</b>	<b>\$</b>	<b>651,648.05</b>

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CLOQUET  
THIS 4TH DAY OF MAY, 2021.**

ATTEST:

\_\_\_\_\_  
Roger Maki, Mayor

\_\_\_\_\_  
Tim Peterson, City Administrator

INVOICES DUE ON/BEFORE 05/04/2021

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
112275	ADVANTAGE EMBLEM INC	0.00	48.00
113650	AMAZON.COM CREDIT	2,427.02	1,558.75
116200	AMERICAN PLANNING ASSOCIATION	467.00	517.00
121350	ASPEN MILLS	837.46	395.81
123400	BAKER & TAYLOR	4,427.95	2,448.54
136850	CENTER POINT LARGE PRINT	529.68	132.42
137310	CENTURY LINK	2,546.51	316.87
139025	CINTAS	1,497.22	54.97
141800	JAMES D ABRAHAMSON	0.00	3,348.42
142800	CLOQUET SANITARY SERVICE	5,670.62	103.21
142950	CLOQUET SHAW MEMORIAL	3.25	108.00
145500	COMPENSATION CONSULTANTS, LTD	846.00	207.00
147600	EXELON CORPORATION	8,506.93	1,643.19
150100	D A L C O	3,260.11	70.96
150400	D E M C O	690.54	130.45
152775	DELTA DENTAL OF MINNESOTA	13,711.05	3,259.90
161675	EMC NATIONAL LIFE	7,182.60	1,389.00
163575	EVERBRIDGE INC	0.00	2,251.01
164900	THE FASTENAL COMPANY	259.97	131.63
166525	FIRE SAFETY USA, INC	27,927.55	190.00
170975	FRIENDS OF THE CLOQUET LIBRARY	3.00	27.15
171100	FRYBERGER, BUCHANAN, SMITH &	52,337.20	15,754.25
174300	GLORY SHINE JANITORIAL CLEAN	6,300.00	1,050.00
179340	HAGENS GLASS & PAINT	8,247.86	43.64
180500	HAWKINS INC	21,472.29	4,125.57
184485	HUNT ELECTRIC	89.97	89.97
187500	INGRAM LIBRARY SERVICES	505.00	57.51
195175	KEMBLE INCORPORATED	0.00	7,650.00
202900	THE LERNER GROUP	452.91	44.86
203200	LEXISNEXIS	255.10	13.50
211300	MENARDS INC	657.06	47.46
211400	MENARDS INC	1,638.57	89.82
211700	METRO SALES, INC.	3,205.55	338.23
213875	MIDWEST TAPE	252.93	501.84
214000	MIELKE ELECTRIC WORKS	720.00	720.00
217300	MIRACLE RECREATION EQUIPMENT	4,258.22	1,990.83
221850	MN HIGHWAY SAFETY & RESEARCH	445.00	445.00
222600	MN POLLUTION CONTROL AGENCY	223.00	90.00
224000	MN STATE FIRE CHIEFS ASSOC.	25.00	33.25
234600	NORTHERN BUSINESS PRODUCTS	2,224.14	221.47
235800	NORTHLAND AUTO PARTS	0.00	5.64
236125	NORTHLAND FIRE & SAFETY, INC	138.30	179.00
236450	THE NORTHSPAN GROUP, INC.	2,760.00	390.00
243500	PENWORTHY COMPANY	0.00	341.66

INVOICES DUE ON/BEFORE 05/04/2021

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
244300	BRENT BELICH	1,397.50	1,253.00
244950	PINE JOURNAL	65.52	65.52
261800	SEH	11,791.60	13,902.00
268800	STOCK TIRE COMPANY	3,023.34	855.42
270200	SUPERIOR COMPUTER PRODUCTS INC	21,358.75	5,711.00
271320	T MOBILE	4,648.95	1,162.35
271325	NANCY GETCHELL	3,160.72	1,248.15
275075	TITAN MACHINERY	1,084.49	1,839.12
276700	TRITECH SOFTWARE SYSTEMS	3,507.05	23,838.55
278550	TWIN PORTS PAPER & SUPPLY, INC	349.98	219.22
279100	U S BANK EQUIPMENT FINANCE	2,749.64	521.57
281000	UNITED ELECTRIC COMPANY	215.00	130.00
283700	USA BLUEBOOK	1,751.52	123.45
284875	VERIZON WIRELESS	3,234.01	245.07
285500	VIKING INDUSTRIAL CENTER	832.64	143.48
286900	W L S S D	302,886.00	73,391.00
287800	WAL-MART COMMUNITY	533.62	89.65
288150	WASTE MANAGEMENT NORTHERN MN	126.73	63.32
289015	WELLS FARGO CREDIT CARD	28,047.18	7,564.95
290300	WIDDES FEED & FARM SUPPLY	387.70	200.85
293700	ZIEGLER INC	27.57	140.04
R0001701	LEADSONLINE	0.00	2,128.00
R0001725	SERENITY FARM DOG BOARDING	0.00	200.00
R0001749	TWIN PORTS JOYRIDE	0.00	132.00
R0002042	BECKER ARENA PRODUCTS INC	0.00	4,739.41
TOTAL ALL VENDORS:			192,462.90

City of Cloquet  
Vendor Summary Report Reconciliation  
Invoices Due On/Before 5/4/2021

Bills	192,462.90
Less: CAFD	(7,235.00)
Less: Library	<u>(8,319.96)</u>
Bills approved	176,907.94
Other:	
Payroll	479,141.16
Payroll - benefits	<u>(4,401.05)</u>
Total Bills and Payroll Approved	<u><u>651,648.05</u></u>



INVOICES DUE ON/BEFORE 05/04/2021

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
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GENERAL FUND			
00			
152775	DELTA DENTAL OF MINNESOTA	13,711.05	3,012.05
161675	EMC NATIONAL LIFE	7,182.60	1,389.00
			4,401.05
41	GENERAL GOVERNMENT		
116200	AMERICAN PLANNING ASSOCIATION	467.00	517.00
145500	COMPENSATION CONSULTANTS, LTD	846.00	207.00
150100	D A L C O	3,260.11	35.48
164900	THE FASTENAL COMPANY	259.97	6.81
171100	FRYBERGER, BUCHANAN, SMITH &	52,337.20	15,671.75
235800	NORTHLAND AUTO PARTS		5.64
244950	PINE JOURNAL	65.52	65.52
270200	SUPERIOR COMPUTER PRODUCTS INC	21,358.75	4,533.00
279100	U S BANK EQUIPMENT FINANCE	2,749.64	213.67
281000	UNITED ELECTRIC COMPANY	215.00	130.00
284875	VERIZON WIRELESS	3,234.01	245.07
	GENERAL GOVERNMENT		21,630.94
42	PUBLIC SAFETY		
112275	ADVANTAGE EMBLEM INC		48.00
121350	ASPEN MILLS	837.46	395.81
150100	D A L C O	3,260.11	35.48
163575	EVERBRIDGE INC		2,251.01
164900	THE FASTENAL COMPANY	259.97	6.81
221850	MN HIGHWAY SAFETY & RESEARCH	445.00	445.00
268800	STOCK TIRE COMPANY	3,023.34	79.90
270200	SUPERIOR COMPUTER PRODUCTS INC	21,358.75	960.00
271320	T MOBILE	4,648.95	1,162.35
271325	NANCY GETCHELL	3,160.72	1,248.15
276700	TRITECH SOFTWARE SYSTEMS	3,507.05	23,838.55
279100	U S BANK EQUIPMENT FINANCE	2,749.64	188.43
R0001701	LEADSONLINE		2,128.00
R0001725	SERENITY FARM DOG BOARDING		200.00
R0001749	TWIN PORTS JOYRIDE		132.00
	PUBLIC SAFETY		33,119.49

INVOICES DUE ON/BEFORE 05/04/2021

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
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GENERAL FUND			
43	PUBLIC WORKS		
166525	FIRE SAFETY USA, INC	27,927.55	190.00
195175	KEMBLE INCORPORATED		7,650.00
244300	BRENT BELICH	1,397.50	253.00
275075	TITAN MACHINERY	1,084.49	1,839.12
290300	WIDDES FEED & FARM SUPPLY	387.70	200.85
293700	ZIEGLER INC	27.57	140.04
	PUBLIC WORKS		10,273.01
45	CULTURE AND RECREATION		
137310	CENTURY LINK	2,546.51	184.86
141800	JAMES D ABRAHAMSON		3,348.42
147600	EXELON CORPORATION	8,506.93	1,643.19
179340	HAGENS GLASS & PAINT	8,247.86	43.64
211300	MENARDS INC	657.06	47.46
211400	MENARDS INC	1,638.57	89.82
217300	MIRACLE RECREATION EQUIPMENT	4,258.22	1,990.83
244300	BRENT BELICH	1,397.50	1,000.00
287800	WAL-MART COMMUNITY	533.62	62.68
R0002042	BECKER ARENA PRODUCTS INC		4,739.41
	CULTURE AND RECREATION		13,150.31
46	COMMUNITY DEVELOPMENT		
279100	U S BANK EQUIPMENT FINANCE	2,749.64	47.10
	COMMUNITY DEVELOPMENT		47.10
FEDERAL CDBG LOAN (EDA)			
46	COMMUNITY DEVELOPMENT		
171100	FRYBERGER, BUCHANAN, SMITH &	52,337.20	82.50
236450	THE NORTHSPAN GROUP, INC.	2,760.00	390.00
	COMMUNITY DEVELOPMENT		472.50

LIBRARY FUND  
 00

INVOICES DUE ON/BEFORE 05/04/2021

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
-----			
LIBRARY FUND			
00			
142950	CLOQUET SHAW MEMORIAL	3.25	108.00
170975	FRIENDS OF THE CLOQUET LIBRARY	3.00	27.15
			135.15
45	CULTURE AND RECREATION		
113650	AMAZON.COM CREDIT	2,427.02	1,558.75
123400	BAKER & TAYLOR	4,427.95	2,448.54
136850	CENTER POINT LARGE PRINT	529.68	132.42
139025	CINTAS	1,497.22	54.97
142800	CLOQUET SANITARY SERVICE	5,670.62	103.21
150400	D E M C O	690.54	130.45
164900	THE FASTENAL COMPANY	259.97	111.20
174300	GLORY SHINE JANITORIAL CLEAN	6,300.00	1,050.00
184485	HUNT ELECTRIC	89.97	89.97
187500	INGRAM LIBRARY SERVICES	505.00	57.51
202900	THE LERNER GROUP	452.91	44.86
203200	LEXISNEXIS	255.10	13.50
211700	METRO SALES, INC.	3,205.55	338.23
213875	MIDWEST TAPE	252.93	501.84
234600	NORTHERN BUSINESS PRODUCTS	2,224.14	221.47
236125	NORTHLAND FIRE & SAFETY, INC	138.30	179.00
243500	PENWORTHY COMPANY		341.66
270200	SUPERIOR COMPUTER PRODUCTS INC	21,358.75	218.00
278550	TWIN PORTS PAPER & SUPPLY, INC	349.98	219.22
289015	WELLS FARGO CREDIT CARD	28,047.18	370.01
	CULTURE AND RECREATION		8,184.81
WATER - LAKE SUPERIOR WATERLIN			
51	STATION 2		
137310	CENTURY LINK	2,546.51	132.01
180500	HAWKINS INC	21,472.29	2,612.13
214000	MIELKE ELECTRIC WORKS	720.00	720.00
261800	SEH	11,791.60	2,780.40
283700	USA BLUEBOOK	1,751.52	123.45
288150	WASTE MANAGEMENT NORTHERN MN	126.73	63.32
	STATION 2		6,431.31

INVOICES DUE ON/BEFORE 05/04/2021

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
-----			
WATER - IN TOWN SYSTEM			
49	CLOQUET		
180500	HAWKINS INC	21,472.29	1,513.44
261800	SEH	11,791.60	6,951.00
285500	VIKING INDUSTRIAL CENTER	832.64	143.48
287800	WAL-MART COMMUNITY	533.62	26.97
	CLOQUET		8,634.89
54	BILLING & COLLECTION		
279100	U S BANK EQUIPMENT FINANCE	2,749.64	72.37
	BILLING & COLLECTION		72.37
ENTERPRISE FUND - SEWER			
00			
286900	W L S S D	302,886.00	-10,505.00
			-10,505.00
55	SANITARY SEWER		
261800	SEH	11,791.60	4,170.60
268800	STOCK TIRE COMPANY	3,023.34	775.52
286900	W L S S D	302,886.00	83,896.00
	SANITARY SEWER		88,842.12
57	ADMINISTRATION & GENERAL		
222600	MN POLLUTION CONTROL AGENCY	223.00	90.00
	ADMINISTRATION & GENERAL		90.00
EMPLOYEE SEVERANCE			
45	EMPLOYEE VACATION & SICK		
152775	DELTA DENTAL OF MINNESOTA	13,711.05	247.85
	EMPLOYEE VACATION & SICK		247.85

DATE: 04/28/21  
TIME: 15:00:06  
ID: AP443000.WOW

CITY OF CLOQUET  
DEPARTMENT SUMMARY REPORT

PAGE: 5

INVOICES DUE ON/BEFORE 05/04/2021

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
-----			
CLOQUET AREA FIRE DISTRICT			
42	PUBLIC SAFETY		
164900	THE FASTENAL COMPANY	259.97	6.81
224000	MN STATE FIRE CHIEFS ASSOC.	25.00	33.25
289015	WELLS FARGO CREDIT CARD	28,047.18	7,194.94
	PUBLIC SAFETY		7,235.00
	TOTAL ALL DEPARTMENTS		192,462.90



**ADMINISTRATIVE OFFICES**

101 14th Street Cloquet, MN 55720-1903  
Phone: 218.879.3347 Fax: 218.879.6555  
www.cloquetmn.gov

**REQUEST FOR COUNCIL ACTION**

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To: Mayor and City Council  
From: Tim Peterson, City Administrator *TP*  
Date: May 4, 2021

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**ITEM DESCRIPTION:** Approval of New Liquor License – Pedro’s Grill & Cantina

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**Proposed Action**

Staff recommends the City Council move to approve the On-Sale Intoxicating Liquor and Sunday Sales Licenses for PEPS 1819, LLC, DBA Pedro’s Grill & Cantina, 7 – 8<sup>th</sup> Street, subject to final approval by the State of Minnesota.

**Background/Overview**

The City has received an application from Erika Aranda seeking to obtain a new On-Sale Intoxicating Liquor and Sunday On-Sale Intoxicating Liquor License at 7-8<sup>th</sup> Street, effective July 1, 2021. Ms. Aranda has entered into a Commercial Lease Agreement with the owner of the building and plans to move from their current location at 915 Cloquet Avenue. Ms. Aranda and has been working with the city’s building official while renovating the space.

- On-Sale Intoxicating Liquor – The applicant has submitted all of the necessary materials and a criminal background check has been completed. The applicant is seeking to license the area as identified on the attached floor plan which includes an outdoor dining area.
- Sunday On-Sale Intoxicating Liquor – The applicant is also applying for a Sunday On-Sale License. Under City Code and Mn. Statute, an establishment must be licensed as a qualifying restaurant in order to be open for alcohol sales on Sunday. The applicant will operate the restaurant with a medium establishment food license.

**Policy Objectives**

Approval of On-Sale Intoxicating Liquor Licenses are required under Chapter 6 of the City Code and Mn. Statutes 340A.404 under State law. As a Statutory City of the Third Class, the city is limited to a maximum of twelve (12) licenses. However, in 1987, the city held a special election which resulted in the authorization of one (1) additional license.

Under this same section of law, the State also provides certain exclusions from license limits. Restaurants are one of the excluded categories. In other words, a license issued as a Restaurant does not count towards the City’s total of thirteen (13) licenses. As noted above, this license shall then be categorized as a Restaurant On-Sale, thus not impacting the remaining number of On-Sale licenses.

To Mayor and Council  
On-Sale Liquor License  
Pedro's  
May 4, 2021  
Page 2

**Financial Impacts**

The city's fee schedule requires each license holder to pay set fees for each license. The total fees received by the city for alcohol licenses are required to be consistent with the level of service to administer and enforce local liquor laws. The applicant has paid all fees which are required by the city.

**Advisory Committee/Commission Action**

None.

**Supporting Documentation Attached**

- Application



Minnesota Department of Public Safety  
**Alcohol and Gambling Enforcement Division (AGED)**  
 444 Cedar Street, Suite 222, St. Paul, MN 55101-5133  
 Telephone 651-201-7507 Fax 651-297-5259 TTY 651-282-6555

**Certification of an On Sale Liquor License, 3.2% Liquor license, or Sunday Liquor License**

**Cities and Counties:** You are required by law to complete and sign this form to certify the issuance of the following liquor license types:  
 1) City issued on sale intoxicating and Sunday liquor licenses  
 2) City and County issued 3.2% on and off sale malt liquor licenses

Name of City or County Issuing Liquor License Cloquet License Period From: 7/01/21 To: 6/30/22

Circle One:  New License License Transfer \_\_\_\_\_ Suspension Revocation Cancel \_\_\_\_\_  
(former licensee name) (Give dates)

License type: (circle all that apply)  On Sale Intoxicating  Sunday Liquor 3.2% On sale 3.2% Off Sale

Fee(s): On Sale License fee: \$ 2500.<sup>00</sup> Sunday License fee: \$ 200.<sup>00</sup> 3.2% On Sale fee: \$ \_\_\_\_\_ 3.2% Off Sale fee: \$ \_\_\_\_\_

Licensee Name: Erina Aranda } DOB } Social Security # \_\_\_\_\_  
(corporation, partnership, LLC, or Individual)

Business Trade Name PEPS 1814 LLC Business Address 9th 78th St. City Cloquet

Zip Code 55720 County Carlton Business Phone 28 879 7171 Home Phone \_\_\_\_\_

Home Address \_\_\_\_\_ City Cloquet Licensee's MN Tax ID # 3898047  
(To Apply call 651-296-6181)

Licensee's Federal Tax ID # 47-3160756  
(To apply call IRS 800-829-4933)

If above named licensee is a corporation, partnership, or LLC, complete the following for each partner/officer:

<u>Erina Aranda</u>	DOB	Social Security #	Home Address
Partner/Officer Name (First Middle Last)			
(Partner/Officer Name (First Middle Last)	DOB	Social Security #	Home Address
Partner/Officer Name (First Middle Last)	DOB	Social Security #	Home Address

Intoxicating liquor licensees must attach a certificate of Liquor Liability Insurance to this form. The insurance certificate must contain all of the following:

- 1) Show the exact licensee name (corporation, partnership, LLC, etc) and business address as shown on the license.
- 2) Cover completely the license period set by the local city or county licensing authority as shown on the license.

Circle One: (Yes  No) During the past year has a summons been issued to the licensee under the Civil Liquor Liability Law?

Workers Compensation Insurance is also required by all licensees: Please complete the following:

Workers Compensation Insurance Company Name: A cord Policy # A 2229 2021

I Certify that this license(s) has been approved in an official meeting by the governing body of the city or county.  
 City Clerk or County Auditor Signature \_\_\_\_\_ Date \_\_\_\_\_  
(title)

**On Sale Intoxicating liquor licensees must also purchase a \$20 Retailer Buyers Card. To obtain the application for the Buyers Card, please call 651-201-7504, or visit our website at [www.dps.state.mn.us](http://www.dps.state.mn.us).**





CITY ADMINISTRATOR'S OFFICE  
 101 14<sup>th</sup> Street, Cloquet MN 55720  
 Phone: 218-879-3347 Fax: 218-879-6555  
[www.cloquetmn.gov](http://www.cloquetmn.gov)  
 email: [admin@cloquetmn.gov](mailto:admin@cloquetmn.gov)

**CITY OF CLOQUET, MN  
 APPLICATION FOR ON SALE INTOXICATING LIQUOR LICENSE**

Application:  New  Renewal

On Sale Intoxicating Liquor License Category:

Restaurant  Club, or congressionally chartered veterans organization  Exclusive Liquor Store  Hotel

**APPLICANT INFORMATION:**

Name: Erika Aranda  
First Full Middle Name Last

Applicant Current Address: \_\_\_\_\_

City, State, Zip: Cloquet Minnesota 55720

Home Phone: \_\_\_\_\_ Work Phone: 218 879 7171 Cell Phone: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Place of Birth: Los Angeles CA. U.S.

Licensee Name: PEPS 1819 LLC. DBA. Pedro's Grill & Cantina  
Business, Partnership, Corporation, LLC, Individual)

Social Security #: \_\_\_\_\_

Trade Name or DBA: Pedro's Grill & Cantina

Licensed Location Address: 7 8th St. Cloquet MN. 55720

Business Phone: 218 879 7171

**BUSINESS INFORMATION:**

Business Name: PEPS 1819 LLC DBA Pedro's Grill & Cantina

Address of Business: 7 8th St. Cloquet MN. 55720

Mailing Address (if different from above): \_\_\_\_\_

Phone No.: \_\_\_\_\_ Alternate Number: 218 879 7171

Manager of Business: Erika Aranda

**BUSINESS OWNERSHIP INFORMATION:**

Type of Ownership:  Sole Proprietorship  Partnership  Limited Liability Corporation (LLC)  Corporation (Inc)

If the above named licensee is a corporation, partnership, or LLC, complete the following for each partner/officer:

Partner/Officer Name: Erika  Aranda  
First Middle Last

Home Address: \_\_\_\_\_

City, State, Zip: Cloquet MN 55720

\_\_\_\_\_ Date of Birth \_\_\_\_\_ Social Security No.

Partner/Officer Name: \_\_\_\_\_  
First Middle Last

Home Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

\_\_\_\_\_ Date of Birth \_\_\_\_\_ Social Security No.

Are you the owner or one of the owners of the business stated in this application?  Yes  No

If yes, how long have you been in the business at this location? April 15, 2021 - relocating  
from current location at 915 Cloquet Avenue

If you are not the business owner, please list business owner information:

Name: \_\_\_\_\_  
(First) (Full Middle) (Last)

Address: \_\_\_\_\_

\_\_\_\_\_ Home Phone \_\_\_\_\_ Work Phone \_\_\_\_\_ Cell Phone

Will licensed area include any outdoor attachment such as a patio or deck?  Yes  No  
If yes, is area fenced in?  Yes  No

(Please describe in detail and attach drawing) \_\_\_\_\_

How many off-street parking spaces are to be provided exclusively for your customers? 15 Parking Spots

Days of Operation: 7 Days a week except Holidays

Hours of Operation: 11am to 9pm Fri and Sat - 11am to 10pm

Give a complete description of business activities to be conducted on the premises: Serving, Cooking, Food service Bar

Will live entertainment and/or dancing be provided?  Yes  No

2 A.M. LIQUOR LICENSE Will applicant be applying for 2 A.M. Sales? Yes  No

SUNDAY SALES Will applicant be applying for Sunday Liquor?  Yes  No

**To be completed if applying for Sunday Sales:**

**Minnesota Statute 340A.504, Subd. 3. Intoxicating liquor; Sunday sales; on-sale.**

A restaurant, club, bowling center, or hotel with a seating capacity for at least 30 persons and which holds an on-sale intoxicating liquor license may sell intoxicating liquor for consumption on the premises in conjunction with the sale of food between the hours of 10:00 a.m. on Sundays and 2:00 a.m. on Mondays.

For restaurant or hotel, what is the seating capacity for guests at one time? 180 inside 70 patio 250

*(Must meet provisions of the Uniform Fire Code for a formal occupancy rating or other similar documentation and square footage to arrive at the proper seating capacity. Please contact our Building Official at 879-2507 with any questions.)*

*(For a hotel, seating must be 30 guests at one time and must meet provisions of the Uniform Fire Code for a formal occupancy rating or other similar documentation and square footage to arrive at the proper seating capacity. Please contact our Building Official at 879-2507 with any questions.)*

Are meals regularly prepared on the premises and served at tables to the general public?  Yes  No

Square footage of total dining area: \_\_\_\_\_

Principal part of the business will be food:  Yes  No

Estimated percentage of gross sales for: Food 85% Average Liquor 15% Average

If a Restaurant, please provide copy of Restaurant License from the Minnesota Department of Health.  
License Type:  Small Establishment  Medium Establishment  Large Establishment

Submit a floor plan of the dining room(s), showing dimensions and indicating the number of persons intended to be served in each of such rooms.

The property at which I am requesting a license for, I  Own  Rent  Lease  Other: contract for deed

*(If you rent or lease the premises, you must attach a copy of your fully executed rental or lease agreement)*

If you are not the property owner, please list property owner information:

Name: \_\_\_\_\_  
(First) (Full Middle) (Last)

Address: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ Home Phone \_\_\_\_\_ Work Phone \_\_\_\_\_ Cell Phone

**Property/Business Information:**

Intoxicating liquor licenses will only be issued to establishments which are properly zoned and/or meet those zoning requirements for such location as may be required by the City.

**For Zoning Verification, contact the Cloquet Zoning Department at (218) 879-2507 prior to submitting your application to obtain a "Certificate of Zoning Compliance."**

You must indicate the exact legal description of the premises to be licensed, with a plot plan of the area showing dimensions, locations of buildings, street access, parking facilities and the locations of and distances to the nearest church building and schools.

The license application must include a complete description of the compact and contiguous area in which the licensee will conduct business, including a description of physically connected attachments to the main structure such as patios, decks, or pavilions.

If the description covers a building with more than one story or room which are used for business purposes other than those permitted to be in combination with the license, then the description must specify the floor and the space to which the license will apply.

Property Zoning District: \_\_\_\_\_

Property Parcel ID Number: \_\_\_\_\_

Property Complete Legal Description: \_\_\_\_\_  
\_\_\_\_\_

Is there more than one story to building?  Yes  No

If yes, please describe: There's a second level that will not be used At the moment

Does business have inside access to another business establishment?  Yes  No

If yes, please describe: \_\_\_\_\_  
\_\_\_\_\_

Real estate taxes on property to be licensed are:  Paid current  Delinquent

Are there any financial claims to the City of Cloquet owed by the applicant, business owner, or property owner?

None exist.  There are financial claims owed to the City of Cloquet.

If there are current financial claims owed to the City of Cloquet, please state the responsible party, state amount(s), and type of claim:

Responsible Party	Amount	Type of claim (i.e., utilities, etc.)
-------------------	--------	---------------------------------------

Please answer all questions truthfully and to the best of your knowledge. Providing false information may be cause for denial of your license. Please add additional information if necessary.

1. Have you been convicted of any misdemeanor or felony violation of local ordinances related to the sale of alcoholic beverages?  Yes  No

If yes, please provide statement of all convictions (date of offense, location, charge and date of conviction.)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2. Have you previously operated in this City or another City or State under a license or permit which had been denied, suspended or revoked?  Yes  No

If yes, please provide information and state reasons. (if necessary, attach list to application)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

3. Do you currently hold a license of the same in this City, any other City, State or Country?  Yes  No

If yes, please provide business information for that license.

Business Name: PEPS 1819 LLC DBA Pedro's Grill & Cantina

Address: 915 CLOQUET AVE. CLOQUET MN 55720

Phone No. 218 879 7171

The City of Cloquet reserves the right to request additional information to assist in the evaluation of this application.

I do hereby swear that the answers in this application are true and correct to the best of my knowledge. I do authorize the City of Cloquet, its agents and employees, to obtain information and to conduct an investigation, if necessary, into the truth of the statements set forth in this application and my qualifications for this license.

Signature of Applicant: Erika Aranda Date: 04/23/2021

Print Name Erika Aranda

First Middle Last

## MINNESOTA BUSINESS TAX IDENTIFICATION LAW

Pursuant to Minnesota Statute 270C.72 (Tax Clearance; Issuance of Licenses), Subd. 4. The licensing authority is required to provide the Minnesota Commissioner of Revenue your business tax identification number and social security number of each license applicant. Under the Minnesota Government Data Practices Act and the Federal Privacy Act of 1974, we are required to advise you of the following regarding the use of this information:

1. This information may be used to deny the issuance, renewal or transfer of your license in the event you owe the Minnesota Department of Revenue delinquent taxes, penalties or interest.
2. Upon receiving this information, the licensing authority will supply it only to the Minnesota Department of Revenue. However, under the Federal Exchange of Information Agreement, the Department of Revenue may supply this information to the Internal Revenue Service.
3. Failure to supply this information may jeopardize or delay the processing of your licensing issuance or renewal application.

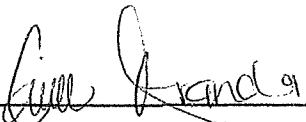
License Type: Liquor License

Please supply the following information and return along with your application to the City of Cloquet.

APPLICANT INFORMATION		
Name: First <u>Erika</u>	Full Middle	Last <u>Aranda</u>
Current Address:		
City: <u>Cloquet</u>	State: <u>Minnesota</u>	Zip Code: <u>55720</u>
Social Security Number:		

BUSINESS INFORMATION		
Business Name: <u>PEPS 1819 LLC</u>		
Business Address: <u>7 8th St.</u>		
City: <u>Cloquet</u>	State: <u>Minnesota</u>	Zip Code: <u>55720</u>

TAX IDENTIFICATION NUMBERS	
Federal Tax Identification Number:	<u>47-3160756</u>
Minnesota Tax Identification Number:	<u>3898047</u>

Signature: 

Date: 04/23/2021

# Certificate of Compliance Minnesota Workers' Compensation Law

**THIS FORM MUST BE COMPLETED BY THE BUSINESS LICENSE APPLICANT**

PRINT IN INK or TYPE.

Minnesota Statutes, Section 176.182 requires every state and local licensing agency to withhold the issuance or renewal of a license or permit to operate a business in Minnesota until the applicant presents acceptable evidence of compliance with the workers' compensation insurance coverage requirement of Minnesota Statutes, Chapter 176. If the required information is not provided or is falsely stated, it shall result in a \$2,000 penalty assessed against the applicant by the commissioner of the Department of Labor and Industry.

A valid workers' compensation policy must be kept in effect at all times by employers as required by law.

LICENSE or CERTIFICATE NO (if applicable)	BUSINESS TELEPHONE NO. 218 879 7171	FAX TELEPHONE NO.
BUSINESS NAME (Use the person(s) name if business structure is sole proprietor or partnership (i.e., John Doe, or John Doe and Jane Doe), otherwise it is the legal name of the business entity.)		
DBA ("doing business as" or also known as an assumed name) (if applicable) Pedro's Grill & Cantina		
BUSINESS ADDRESS (must be physical street address, no PO boxes) 7 8th St.	CITY Cloquet	STATE ZIP CODE Minnesota 55720
COUNTY Carlton	E-MAIL ADDRESS arandaerika@me.com	

**YOUR LICENSE OR CERTIFICATE WILL NOT BE ISSUED WITHOUT THE FOLLOWING INFORMATION. You must complete number 1 or 2 below.**

### NUMBER 1 – Workers' compensation insurance policy information

INSURANCE COMPANY NAME (not the insurance agent) Acord	NAIC Number 21709
POLICY NO. A 22292021	EFFECTIVE DATE 04/21/2021
	EXPIRATION DATE 06/30/2022

### NUMBER 2 – Reason for exemption from workers' compensation insurance

If you have questions regarding the need to obtain workers' compensation coverage, including exemptions, contact 651.284.5032 or 1-800-342-5354.

- I have no employees. (See Minn. Stat. § 176.011, subd. 9 for the definition of an employee.)
- I am self-insured for workers' compensation (attach a copy of the authorization to self-insure from the Minnesota Department of Commerce).
- I have employees but they are not covered by the workers' compensation law. (See Minn. Stat. § 176.041 for a list of excluded employees.) Explain why your employees are not covered:

Other: \_\_\_\_\_

I certify that the information provided on this form is accurate and complete. If I am signing on behalf of a business, I certify that I am authorized to sign on behalf of the business.

PRINT NAME Erika Aranda		
APPLICANT SIGNATURE (required) <i>Erika Aranda</i>	TITLE Owner	DATE 04/23/2021

NOTE: You must notify us if there is any change to your Workers' Compensation Insurance Information or Employee Status Change by resubmitting this form. This material can be made available in different forms, such as large print, Braille or on a tape.





**BUILDING STATISTICS**  
 OCCUPANCY CLASSIFICATION: A-2  
 CONSTRUCTION TYPE: III

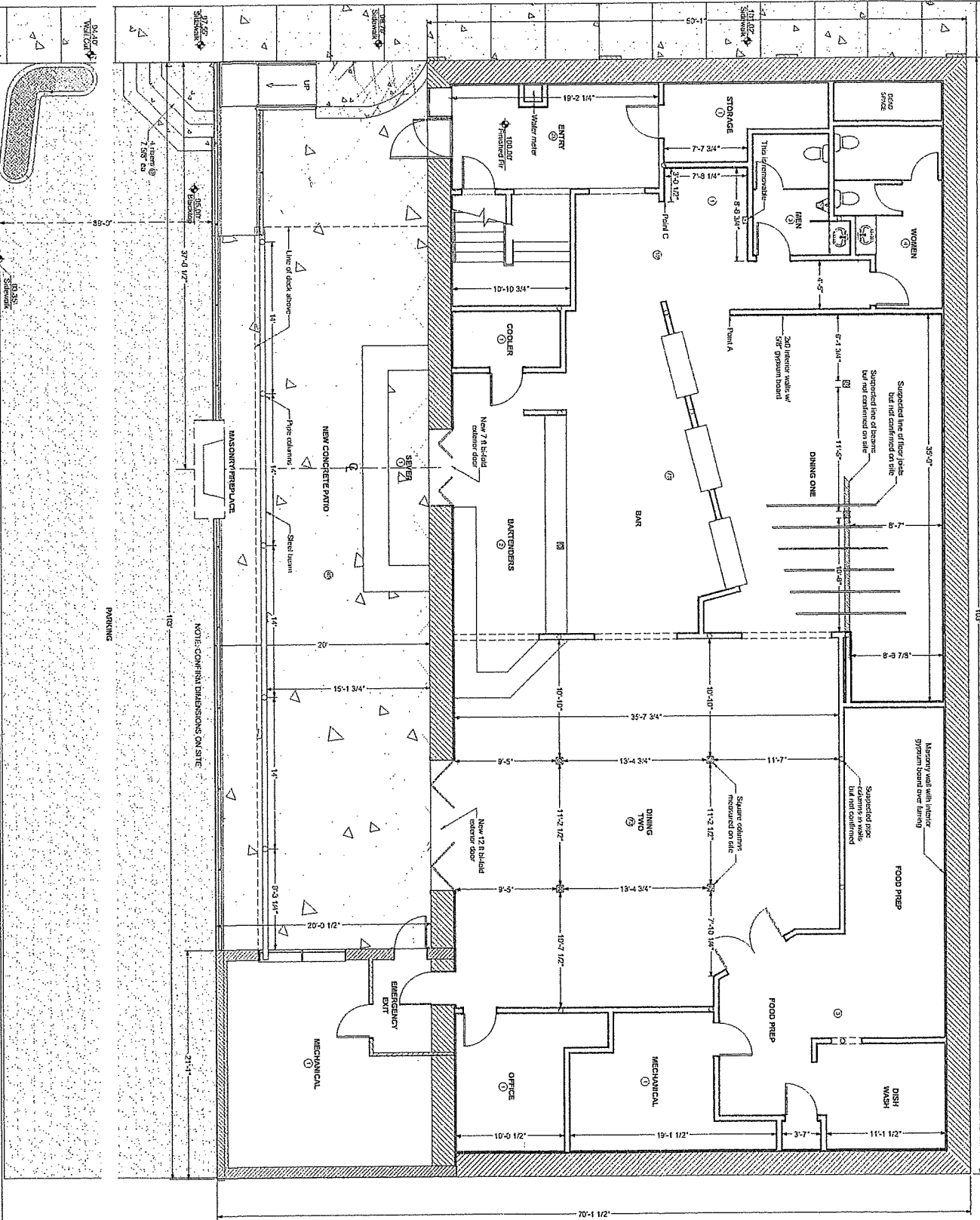
**OCCUPANCY LOAD:**  
 1.800 NEW FIRST FLOOR  
 384 SECOND FLOOR  
 872 THIRD FLOOR  
 872 TOTAL OCCUPANCY

**SQUARE FOOTAGE:**  
 EXISTING OUT-TO-OUT OF EXTERIOR  
 5,188 EXISTING SECOND FLOOR  
 11,209 TOTAL EXISTING SQUARE FEET  
 1,800 NEW FIRST FLOOR RATIO  
 1,800 NEW SECOND FLOOR DECK  
 3,225 TOTAL NEW SQUARE FEET  
 14,824 TOTAL NEW CONSTRUCTED SQ FT

**USABLE FLOOR SPACE:**  
 4,829 FIRST FLOOR  
 4,980 SECOND FLOOR  
 7,792 TOTAL SQUARE FEET

**1,800 NEW FIRST FLOOR RATIO**  
 1,800 NEW SECOND FLOOR DECK  
 3,225 TOTAL NEW SQUARE FEET  
 14,824 TOTAL NEW CONSTRUCTED SQ FT

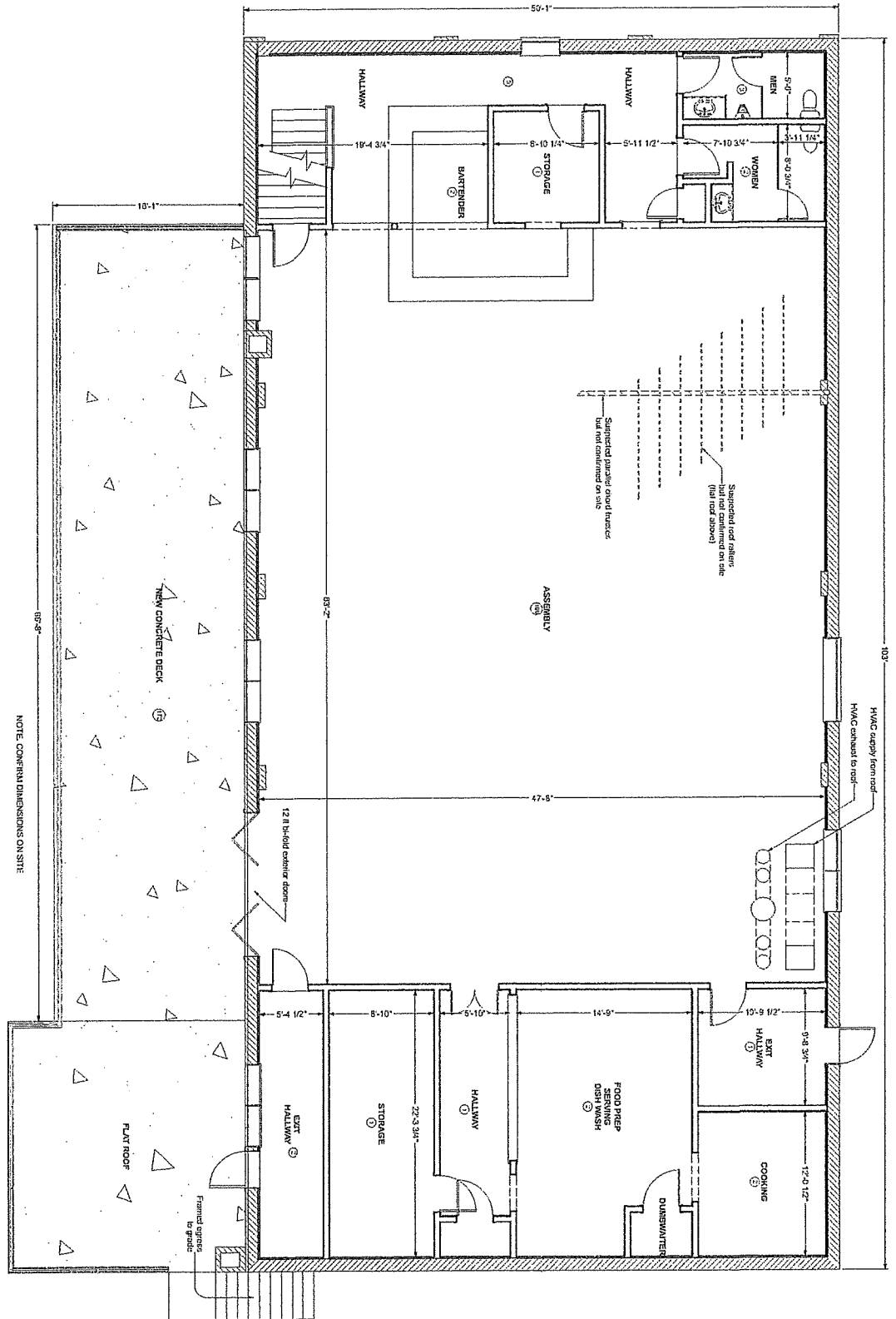
NOTE: THE MASONRY WALLS ARE PARTICULARLY THICK WHICH CAUSES THE CONSTRUCTION BETWEEN THE CONSTRUCTED SQ FT AND THE USABLE SQ FT



DRAWINGS PROVIDED BY: <b>Greg Hallback</b> 905 Carlton Avenue Cloquet, Minnesota 55720 218-879-6999 design@greghall.com	PROJECT DESCRIPTION: <b>PEDRO'S REMODELING</b> 7 5th Street Cloquet, MN 55720	SHEET TITLE: <b>PRELIMINARY DIMENSIONS FOR MAIN FLOOR PLAN</b>	NO.	DESCRIPTION	BY	DATE

DATE: 4/25/2021  
 SCALE: 1/4" = 1'-0"  
 SHEET: A-1





DRAWINGS PROVIDED BY:  
**Greg Hallback**  
 933 Canton Avenue  
 Cloquet, Minnesota 55720  
 218-839-6668  
 design@svsdesign.com

PROJECT DESCRIPTION:  
**PEDRO'S  
 REMODELING**  
 75th Street  
 Cloquet, MN 55720

SHEET TITLE:  
**PRELIMINARY DIMENSIONS FOR  
 SECOND FLOOR PLAN**

NO.	DESCRIPTION	BY	DATE

DATE:  
 4/25/2021  
 SCALE:  
 1/4" = 1'-0"  
 SHEET:  
**A-2**

## Office of the Minnesota Secretary of State Certificate of Organization

I, Steve Simon, Secretary of State of Minnesota, do certify that: The following business entity has duly complied with the relevant provisions of Minnesota Statutes listed below, and is formed or authorized to do business in Minnesota on and after this date with all the powers, rights and privileges, and subject to the limitations, duties and restrictions, set forth in that chapter.

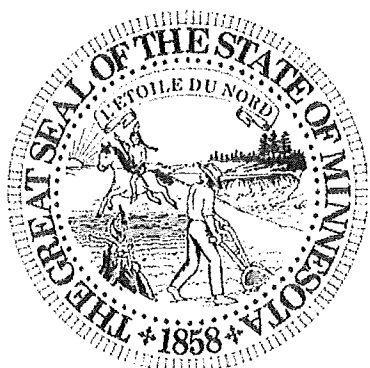
The business entity is now legally registered under the laws of Minnesota.

Name: PEPS 1819 L. L. C.

File Number: 812427500024

Minnesota Statutes, Chapter: 322B

This certificate has been issued on: 02/18/2015



*Steve Simon*

Steve Simon  
Secretary of State  
State of Minnesota

POST  
CONSPICUOUSLY

MINNESOTA DEPARTMENT of HEALTH  
625 Robert Street North, P.O. Box 64975  
Environmental Health Division  
St. Paul, Minnesota 55164-0975  
(651) 201-4500

NOT TRANSFERABLE  
AS TO PERSON  
OR PLACE

Fee Paid: \$765.00

LICENSE NO. FBL-18523-42654 FOR THE OPERATION OF:

256

License Categories: 1-Additional Food Service Bar, Base Fee - FBL, Category 3  
Establishment, Hospitality Fee

LICENSE PERIOD: January 1, 2021 THRU December 31, 2021

ISSUED TO:

Peps 1819 LLC  
915 Cloquet Avenue  
Cloquet, Minnesota 55720

ESTABLISHMENT NAME:

Pedro's Grill and Cantina  
915 Cloquet Avenue  
Cloquet, Minnesota 55720

License Type(s): Restaurant/Place of Refreshment

County: Carlton



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
04/21/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b>  Miguel Medrano Rodriguez(1302309) 6467 Lyndale Ave S  Richfield MN 55423-1405	<b>CONTACT NAME:</b>														
	<b>PHONE (A/C, NO, EXT):</b> 612-206-3193	<b>FAX (A/C, NO):</b> 612-886-8110													
	<b>E-MAIL ADDRESS:</b> mmedrano@farmersagent.com														
	<table border="1"> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A: Truck Insurance Exchange</td> <td>21709</td> </tr> <tr> <td>INSURER B: Farmers Insurance Exchange</td> <td>21652</td> </tr> <tr> <td>INSURER C: Mid Century Insurance Company</td> <td>21687</td> </tr> <tr> <td>INSURER D: Fire Insurance Exchange</td> <td>21660</td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>		INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Truck Insurance Exchange	21709	INSURER B: Farmers Insurance Exchange	21652	INSURER C: Mid Century Insurance Company	21687	INSURER D: Fire Insurance Exchange	21660	INSURER E:		INSURER F:
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<b>COVERAGES</b>	<b>CERTIFICATE NUMBER:</b>	<b>REVISION NUMBER:</b>
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THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAME ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDTL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
B	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:			606784326	04/21/2021	06/30/2022	EACH OCCURRENCE	\$ 1,000,000
		DAMAGE TO RENTED PREMISES (Ea Occurrence)	\$ 75,000					
		MED EXP (Any one person)	\$ 5,000					
		PERSONAL & ADV INJURY	\$ 1,000,000					
		GENERAL AGGREGATE	\$ 2,000,000					
		PRODUCTS - COMP/OP AGG	\$ 2,000,000					
			\$					
	<b>AUTOMOBILE LIABILITY</b>						COMBINED SINGLE LIMIT (Ea accident)	\$
		<input type="checkbox"/> ANY AUTO	<input type="checkbox"/> SCHEDULED AUTOS				BODILY INJURY (Per person)	\$
		<input type="checkbox"/> OWNED AUTOS ONLY	<input type="checkbox"/> NON-OWNED AUTOS ONLY				BODILY INJURY (Per accident)	\$
		<input type="checkbox"/> HIRED AUTOS ONLY					PROPERTY DAMAGE (Per accident)	\$
								\$
	<b>UMBRELLA LIAB</b>						EACH OCCURRENCE	\$
		<input type="checkbox"/> EXCESS LIAB	<input type="checkbox"/> CLAIMS-MADE				AGGREGATE	\$
		DED	RETENTION \$					\$
D	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			A22292021	04/21/2021	06/30/2022	<input checked="" type="checkbox"/> PER STATUTE	OTHER \$
			<input type="checkbox"/> Y/N				E.L. EACH ACCIDENT	\$ 500,000
			<input checked="" type="checkbox"/> Y				E.L. DISEASE - EA EMPLOYEE	\$ 500,000
							E.L. DISEASE - POLICY LIMIT	\$ 500,000
B	<b>LIQUOR LIABILITY</b>			606784326	04/21/2021	06/30/2022	Ocurrence	300,000
							Aggregate	600,000

**DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)**  
Location: 7 8th St, Cloquet, MN 55720  
Certificate holder is listed as Additional insured on the named Insured's general liability policy.  
Waiver of Subrogation applies in favor of the certificate holder on the workers compensation policy.  
Continuous until cancel.

<b>CERTIFICATE HOLDER</b>	<b>CANCELLATION</b>
City of Cloquet 1307 Cloquet Ave Cloquet MN 55720	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE GIVEN TO THE CERTIFICATE HOLDER IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE



**ADMINISTRATIVE OFFICES**

101 14th Street Cloquet, MN 55720-1903  
Phone: 218.879.3347 Fax: 218.879.6555  
www.cloquetmn.gov

**REQUEST FOR COUNCIL ACTION**

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To: Mayor and City Council  
From: Nancy Klassen, Finance Director *mk*  
Reviewed/Approved by: Tim Peterson, City Administrator  
Date: April 19, 2021

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**ITEM DESCRIPTION:** Year End Transfers for 2020

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**Proposed Action**

Staff recommends the Council move to authorize the transfers for 2020 as detailed in the April 19, 2021 staff report.

**Background/Overview**

The council reviews and approves transfers for projects and other transactions yearly after the financial statements are finalized.

*2020 Capital Improvements* – Expenditures are made in the Revolving Capital Projects Fund or in the City Sales Tax Capital Projects Fund for infrastructure projects.

Transfer to the Revolving Capital Projects from the Permanent Improvement Fund \$19,033.26 for the design fees for the future garage project.

*2020 Capital Equipment* – Equipment is purchased in the Public Works Reserve Fund and some heavy equipment or vehicles are also used by the utility funds. The utility funds make transfers to help pay for the heavy equipment or vehicles.

Transfer to the Public Works Reserve Fund from the Water Fund \$50,000 and Sewer Fund \$50,000 for a dump truck.

*Fund balance & future capital outlay* – The General Fund is fully funded in accordance with the Fund Balance Policy. The Library Fund 2020 transfer was budgeted at \$200,000 to meet the Fund Balance Policy.

Transfer to Library Fund from the General Fund \$200,000.

*Tax Increment Financing administrative fees* – The City is allowed to transfer 10% of tax increments received to offset administrative fees incurred by administration, finance, and community development. The administrative costs must be documented.

Transfer to General Fund from TIF Daqota \$5,744.96, TIF 14<sup>th</sup> Street Apartments \$2,263.42, TIF Oakwood Estates \$5,317.97, and TIF Patio Homes \$4,869.89.

Landfill Host Fee – 25% of the host fee received is allocated to the General Fund.

Transfer to General Fund from Landfill Host Fee Fund \$20,592.87.

Library Bond – The City issued a \$1.5 million dollar bond for the Library expansion in 2019. The excess unspent funds are required to be deposited in the bond fund.

Transfer to Public Facilities Debt from Revolving Capital Projects \$7,24.60.

Economic Development Authority Loans – Loans given from the federal loan fund are collected by the LDO Fund.

Transfer from the EDA Federal Loans Fund to the LDO Loan Fund \$146,705.82.

**Policy Objectives**

Proper approval for financing transfers for the year ended 12/31/2020.

**Financial Impacts/Budget/Grant Considerations**

Approval of transfers so various funds are properly reimbursed for 2020 activities and to increase reserve for future capital outlay. The construction transfers are budgeted at the beginning of the year but actual numbers are not available until the audit is complete.

**Advisory Committee/Commission Action**

Not applicable.

**Supporting Documents Attached**

None.





## DEPARTMENT OF PUBLIC WORKS

10114<sup>th</sup> Street; Cloquet, MN 55720  
Phone: (218) 879-6758 Fax: (218) 879-6555  
Street - Water - Sewer – Engineering - Park  
[www.cloquetmn.gov](http://www.cloquetmn.gov)

### REQUEST FOR COUNCIL ACTION

---

To: Mayor and City Council  
From: Caleb Peterson, Public Works Director  
Reviewed By: Tim Peterson, City Administrator *TP*  
Date: May 4, 2021

---

**ITEM DESCRIPTION:** Approval of Pine Valley Single Track Mountain Bypass Trail

---

#### **Proposed Action**

Staff recommends the City Council move to accept the proposal from Trail Logic to construct a winter bypass of the ski jump single track trail.

#### **Background/Overview**

In the summer of 2020, the City of Cloquet opened an additional 2.5 miles of single-track mountain bike trail at Pine Valley. The approximately 5-mile single-track network compliments the existing 5.7 miles of ski trail, 2 ski jumps, and 3 hockey rinks. The new trail system has proven extremely popular with four seasons of use by mountain bikes, hikers, runners, fat tire bikes and snowshoes.

During the first winter of operation, it became evident the alignment of the new single-track trail network under the ski jumps was problematic from an operations and safety standpoint. This section of trail was closed for the winter and a temporary detour was created back to the trail head. In working with our trail builder and local advocates, a bypass route has been identified which would allow any connector trails downstream of the ski jump crossing to remain open for winter use. A proposal to complete this construction during the summer/fall of 2021 has been submitted for Council consideration.

#### **Policy Objectives**

Park Master Plan Policy 1.3 - Improvements to parks shall follow a process that engages park users, stakeholders, and neighbors to ensure changes are aligned with community needs and interests.

Park Master Plan Policy 5.4 - Trail loops shall be created within parks where feasible.

#### **Financial/Budget/Grant Considerations**

The 2020 sales tax allocation for this project was approximately \$20,000 under budget due to fundraising efforts by local advocates. This same group continues to seek funds and grant opportunities for the Bypass construction. If approved the City cost would not exceed \$12,000.

#### **Advisory Committee/Commission Action**

The Park Commission has reviewed the attached proposal and is recommend award.

#### **Supporting Documents Attached**

- Trail Logic Proposal
- Trail Map



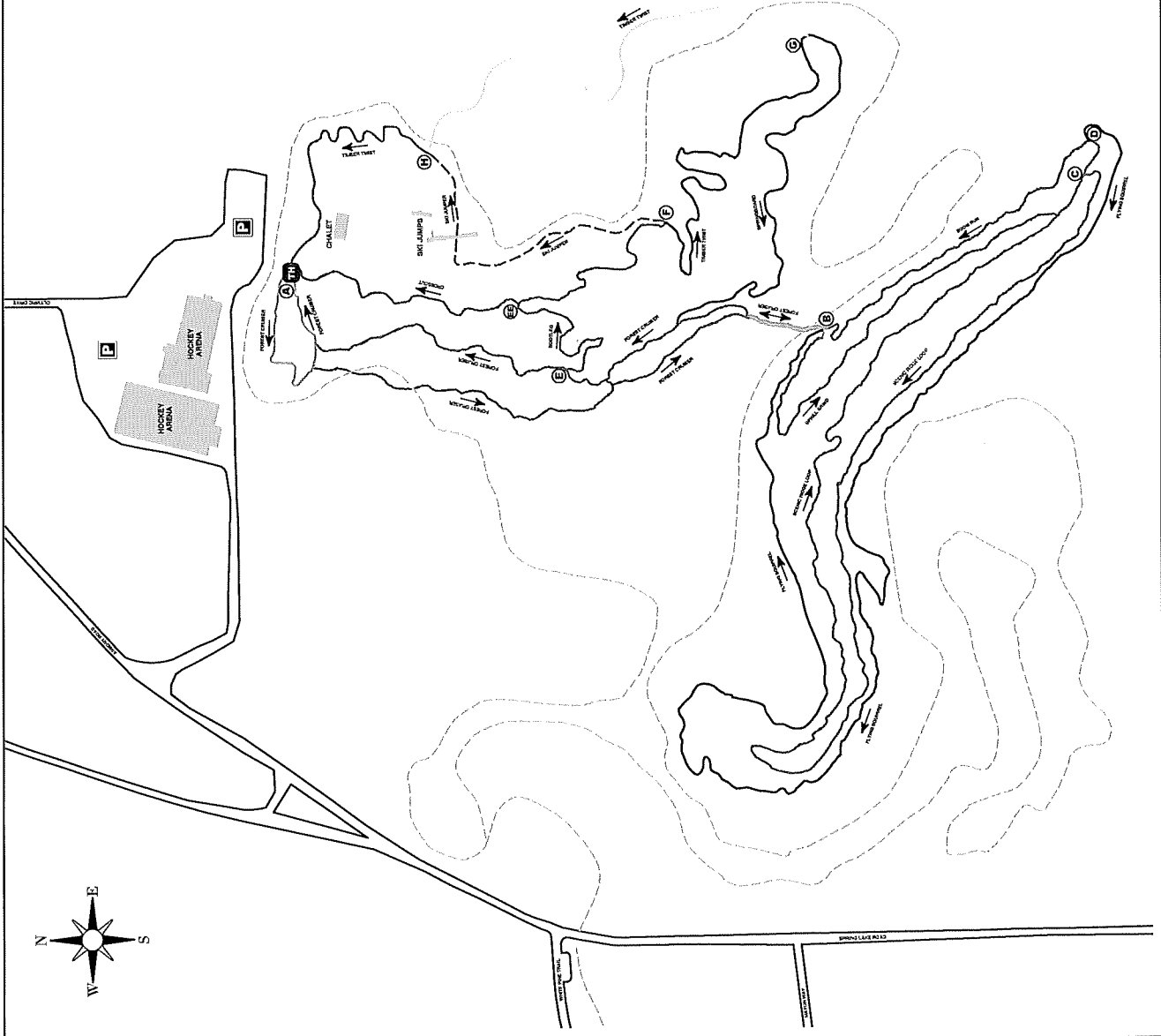
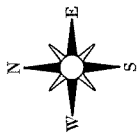
Ski Jump Bypass Mt. Bike Trail Quote					
<b>Customer</b> City of Cloquet  101 14 <sup>th</sup> Street Cloquet, MN 55720 Attn. Caleb Peterson			<b>Recipient</b> Trail Logic, LLC  228 99 <sup>th</sup> Ave W Duluth MN, 55808 218-451-0469 traillogicllc@gmail.com		
Trail building to be measured down centerline of trail. Actual footage may change but the unit prices are fixed.					
Qty.	Item#	Description	Unit Price		Line Total
2400'	1	Singletrack trail building	\$5.25/ft.		\$12,600.00
0	2	Bio-roll	\$3.00/ft		
0	3	Erosion Control Blanket	\$3.00/sq. yd.		
0	4	24" wide boardwalk	\$50.00/ft.		
Lump	5	Mobilization	\$500.00		\$500.00
				Total	\$13,100.00



# SINGLETRACK TRAILS PINE VALLEY



This trail was built in part using Federal funds under award N-19X0001190063 from the Coastal Zone Management Act of 1972, as amended, administered by the Minnesota Department of Natural Resources. The Minnesota Department of Natural Resources is a U.S. Department of the Interior. The U.S. Department of the Interior is a U.S. Department of Natural Resources for Minnesota's Lake Superior Coastal Program.



**LEGEND**

- EASY TRAIL
- - - INTERMEDIATE TRAIL
- · · · · ADVANCED TRAIL
- - - - - SUMMER USE ONLY
- - - - - PROPOSED BIKE TRAIL
- SKI TRAIL
- ROADS
- ↑ DIRECTION TO RIDE
- ⊗ INTERSECTION
- TH TRAIL HEAD
- P PARKING

- WATCH FOR FOOT/SLOW MOVING TRAFFIC.
- SINGLETRACK NETWORK IS OPEN TO MOUNTAIN BIKES, HIKERS, JOGGERS, AND SNOWSHOERS YEAR-ROUND, ASIDE FROM WEATHER RELATED CLOSURES.
- FOR YOUR SAFETY PLEASE FOLLOW ALL POSTED TRAIL ETIQUETTE.
- SKI TRAILS ARE RESTRICTED TO SKIERS ONLY DURING THE WINTER GROOMING SEASON.



## DEPARTMENT OF PUBLIC WORKS

101 14<sup>th</sup> Street; Cloquet, MN 55720  
Phone: (218) 879-6758 Fax: (218) 879-6555  
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[www.cloquetmn.gov](http://www.cloquetmn.gov)

### REQUEST FOR COUNCIL ACTION

---

To: Mayor and City Council  
From: Caleb Peterson, Public Works Director  
Reviewed By: Tim Peterson, City Administrator *TLP*  
Date: May 4, 2021

---

**ITEM DESCRIPTION:** Spring Lake Reservoir – Round Reservoir Rehab

---

#### Proposed Action

Staff recommends that the City Council move to adopt **RESOLUTION NO. 21-26, A RESOLUTION AWARDDING 2021 SPRING LAKE RESERVOIR BID.**

#### Background/Overview

On April 6, 2021, the City Council authorized staff to solicit bids for the Spring Lake Reservoir Project. The approved CIP includes \$200,000 over two years for repairs and rehabilitation of two in-ground reservoirs which are part of potable water system located at the Spring Lake Pump Station. These tanks were originally constructed as poured in place concrete. They provide the community with required on demand storage capacity, and contribute around 200gpm of additional pumping capacity as they are naturally spring fed.

The reservoirs are approximately 100 years old and recent inspections by the Health Department and our contracted structural engineer, have noted several deficiencies. The smaller round reservoir is in the worst condition of the two and is scheduled for needed structural repairs in 2021.



Spring Lake Pumphouse on Round Reservoir

Bidding documents have been prepared with submittals to be received Thursday April 29<sup>th</sup>. Bids will not be available at the time the packet is published but will be sent to Council in advance of the meeting.

To Mayor and Council  
Spring Lake Reservoir Rehab  
May 4, 2021  
Page 2

**Policy Objectives**

N/A.

**Financial/Budget/Grant Considerations**

The approved CIP includes \$100,000 from the water fund in 2021 with another \$100,000 in 2023 for the second reservoir. The engineer's estimate for this project is \$126,500 including engineering fees, contingency, and a \$10,000 bid alternate. Due to the pandemic, the cost of some construction materials has fluctuated greatly over the past year. If bid results vary greatly from the estimate, staff would recommend rebidding the project this fall for 2022 construction.

**Advisory Committee/Commission Action**

N/A.

**Supporting Documents Attached**

- Resolution No. 21-26

**CITY OF CLOQUET  
COUNTY OF CARLTON  
STATE OF MINNESOTA**

**RESOLUTION NO. 21-26**

**A RESOLUTION AWARDDING  
2021 SPRING LAKE RESERVOIR BID**

**WHEREAS**, The City has completed plans and specifications for the rehabilitation of the round Spring Lake Reservoir and

**WHEREAS**, The Council authorized staff to solicit bids on April 6, 2021 and

**WHEREAS**, The City of Cloquet received the following bids for the project:

#	Bidder	Base	Alternate A	Total Bid
1	<b>The Boldt Company</b>	<b>\$81,122.15</b>	<b>\$5,786.00</b>	<b>\$86,908.15</b>
2	Magney Construction, Inc.	\$152,590.00	\$14,830.00	\$167,420.00
3	Lakehead Constructors, Inc.	\$207,710.00	\$13,000.00	\$220,710.00
4				
5				
6				

**AND WHEREAS**, The apparent low bid from **The Boldt Company** was found to meet the minimum bid requirements.

**NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA**, That the bid from **The Boldt Company** in the amount of **\$86,908.15** is hereby accepted.

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CLOQUET THIS 4<sup>th</sup> DAY OF MAY 2021.**

\_\_\_\_\_  
Roger Maki, Mayor

ATTEST:

\_\_\_\_\_  
Tim Peterson, City Administrator



## DEPARTMENT OF PUBLIC WORKS

101 14<sup>th</sup> Street; Cloquet, MN 55720  
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### REQUEST FOR COUNCIL ACTION

---

To: Mayor and City Council  
From: Caleb Peterson, Public Works Director  
Reviewed By: Tim Peterson, City Administrator  
Date: May 4, 2021

---

**ITEM DESCRIPTION:** Public Works Position Appointment

---

#### **Proposed Action**

Staff recommends the City Council move to approve the probationary appointment of Mark Skramstad to the position Street Department Supervisor.

#### **Background/Overview**

Due to a recent resignation, Public Works is currently seeking a Street Department Supervisor. The position was advertised both internally and externally and three applicants were selected to interview. Through the interview process, all applicants performed well, and the panel is unanimously recommending the probationary appointment of Mark Skramstad to the position of Street Department Supervisor. Mark comes to the City of Cloquet with an excellent mix of experience with local road maintenance, equipment operation, public relations, and supervision.

#### **Policy Objectives**

Keeping a fully staffed department is consistent with the service level directives of the City Council.

The City Council is the hiring authority for the City as determined by City Code and State law. Council must act to appoint applicants to complete the hiring process.

#### **Financial/Budget/Grant Considerations**

This position is fully funded as part of the 2021 operating budget.

#### **Advisory Committee/Commission Action**

N/A.

#### **Supporting Documents Attached**

N/A.





**ADMINISTRATIVE OFFICES**

101 14th Street Cloquet, MN 55720-1903  
Phone: 218.879.3347 Fax: 218.879.6555  
www.cloquetmn.gov

**REQUEST FOR COUNCIL ACTION**

---

To: Mayor and City Council  
Reviewed/Approved By: Tim Peterson, City Administrator  
Date: May 4, 2021

---

**ITEM DESCRIPTION: Ordinance Regulating the Sale of Dogs and Cats by Retail Establishment**

---

**Proposed Action**

Staff recommends the City Council move to approve **ORDINANCE NO. 495A CREATING AN ADMINISTRATIVE OFFENSE FOR THE SALE OF DOGS AND CATS BY A RETAIL ESTABLISHMENT.**

**Background/Overview**

There is a well-documented link between puppy and kitten mills and pet stores. Puppy and kitten mills are inhumane commercial breeding facilities that disregard the health and well-being of the animals to maintain a low overhead and increase profits. This is a policy aimed at ending puppy mills and the consequent consumer heartache that can result from purchasing a sick or difficult pet. Pet store puppies are often sick because they are born into deplorable conditions, taken from their mothers very early, exposed to a wide range of diseases, and are susceptible to genetic disorders.

Currently stores in Cloquet do not sell dogs and cats from commercial breeding facilities and this ordinance will prevent stores with this inhumane model from moving in.

This does not impact responsible breeders, as responsible breeders do not sell to pet stores, and will not impact a consumer's ability to purchase directly from a breeder.

By passing a humane pet store ordinance, Cloquet will encourage the public to adopt homeless animals or seek out reputable breeders who take excellent care of their dogs and cats, uphold the values of Cloquet residents, and promote Cloquet as a humane community.

The market has led the way and responded to the public's concern about puppy mills and has overwhelmingly moved towards a humane model. 24 of the nation's 25 largest pet stores do not sell dogs and cats. In the humane model, big stores- like PetCo and PetSmart- and small independent shops- do not sell dogs and cats. They make money from selling supplies and services. Some of these stores choose to partner with animal shelters and rescues, to cohost adoption events that not only save the lives of homeless animals, but they bring new customers in the door.

To Mayor and Council  
Ordinance No. 495A, Repeal of PLA  
May 4, 2021  
Page 2

Multiple cities throughout the nation have recognized the need to address the problem of selling dogs and cats through pet stores that have been obtained from puppy and kitten mills. Pet shop ordinances have been passed in more than 370 localities across the U.S., including Roseville, St. Paul, Eden Prairie, and Carver, Minnesota.

**Financial/Budget/Grant Considerations**

Punishments under this administrative offense would result in a \$50 fine.

**Supporting Documentation Attached**

- Ordinance No. 495A

ORDINANCE NO. 495A

**AN ORDINANCE CREATING AN ADMINISTRATIVE OFFENSE FOR THE SALE OF DOGS AND CATS  
BY A RETAIL ESTABLISHMENT**

The City Council of the City of Cloquet does hereby ordain as follows:

**Section 1. City Code Amendment.** That the Cloquet City Code, be amended by adding a new Section 8.7 to Chapter 8, to read as follows:

**Section 8.7: Sale of Dogs and Cats by Retail Establishment**

**8.7.01. Background.** A significant number of puppies and kittens sold at pet stores come from large-scale, commercial breeding facilities where the health and welfare of the animals are not adequately provided for. The documented abuses endemic to mass breeding facilities include over-breeding; inbreeding; minimal to non-existent veterinary care; lack of adequate and nutritious food, water and shelter; lack of socialization; lack of adequate space; lack of adequate exercise; no or limited screening of genetic diseases; inadequate transportation and shipping protocols of puppies and kittens; and indiscriminate disposal of breeding dogs and cats who have reached the end of their profitable breeding cycle.

The inhumane conditions in mass breeding facilities lead to health and behavioral issues in the animals bred in those facilities, which many consumers are unaware of when purchasing animals from pet stores due to both a lack of education on the issue and misleading tactics of pet stores in some cases. These health and behavioral issues, which may not present themselves until sometime after the purchase of the animals, can impose exorbitant financial and emotional costs on consumers.

Current Federal and State regulations do not properly address the sale of dogs and cats in pet stores. Due in large part to pet overpopulation, numerous dogs and cats are euthanized. Restricting the retail sale of puppies and kittens is likely to increase demand from animal shelters and rescue organizations, which will likely reduce the burden on such agencies and reduce financial costs on local taxpayers.

Across the country, thousands of independent pet stores as well as large chains operate profitably with a business model focused on the sale of pet services and supplies and not on the sale of commercially bred dogs or cats. Many of these stores collaborate with local animal shelters and rescue organizations to offer space and support for showcasing adoptable homeless pets on their premises.



This Ordinance will not affect consumers' ability to obtain a dog or cat of their choice directly from an animal shelter, or breed-specific rescue organization, or from a breeder where the consumer can see directly the conditions in which the dogs or cats are bred or can confer directly with the breeder concerning those conditions.

The City Council for the City of Cloquet believes it is in the best interests of the City of Cloquet to adopt reasonable regulations to reduce costs to the City and its residents, protect the citizens of the City who may purchase dogs or cats from a pet store or other business establishment, help prevent inhumane breeding conditions, promote community awareness of animal welfare, and foster a more humane environment in the City.

#### **8.7.02 Pet Stores**

A. No pet store shall sell, deliver, offer for sale, barter, auction, give away, or otherwise transfer or dispose of cats or dogs.

B. Nothing in this section shall prohibit pet stores from collaborating with animal shelters, animal rescue organizations, and animal control authorities to offer space for such entities to showcase adoptable dogs and cats inside pet stores. Such animals shall not be younger than 8 weeks old.

C. A pet store shall post and maintain a Certificate of Source in a conspicuous place on or within three feet of each dog's or cat's kennel, cage, or enclosure.

1. A Certificate of Source shall be provided to the adopter of any dog or cat.
2. Certificate of Source records for each dog or cat shall be maintained by a pet store for at least one year from the last date that a dog or cat appeared in the store.
3. Pet stores shall make Certificates of Source immediately available for review upon the request of a peace officer or animal control authority, or a humane agent pursuant to Minnesota Statutes section 343.06 acting on behalf of the City.
4. Falsification of a Certificate of Source shall be deemed a violation of this section.

D. A violation of this section shall constitute an Administrative Offense under Chapter 15 of City Code and subject the Pet Store Operator to the to the procedures and penalties contained therein.

**Section 2. Effective Date:** This ordinance shall take effect and be in force from and after its passage and publication in accordance with the law.

Passed this \_\_\_\_\_ day of \_\_\_\_\_, 2021

CITY OF CLOQUET

BY: \_\_\_\_\_  
Roger Maki, Mayor

ATTEST:

BY: \_\_\_\_\_  
Tim Peterson, City Administrator

Published this \_\_\_\_\_ day of \_\_\_\_\_, 2021



**ADMINISTRATIVE OFFICES**

101 14th Street Cloquet, MN 55720-1903  
Phone: 218.879.3347 Fax: 218.879.6555  
www.cloquetmn.gov

**REQUEST FOR COUNCIL ACTION**

---

To: Mayor and City Council  
Reviewed/Approved By: Tim Peterson, City Administrator  
Date: May 4, 2021

---

**ITEM DESCRIPTION: Ordinance Repealing City Code Requiring Project Labor Agreement**

---

**Proposed Action**

Staff recommends the City Council move to approve **ORDINANCE NO. 496A PROVIDING FOR THE REPEAL OF CLOQUET CITY ORDINANCE NUMBERS 465A, 472A AND SECTION 9.2 OF THE CLOQUET CITY CODE REQUIRING PROJECT LABOR AGREEMENTS.**

**Background/Overview**

On January 28, 2021, a lawsuit against the City of Cloquet, along with other local municipalities, was filed in the United States District Court for the District of Minnesota based on the enforcement of project labor agreements. The City of Cloquet has removed the Union Security portion of its project labor agreement. However, staff believes further action is the best defense against both the current lawsuit and potential future lawsuits.

Lawsuits against the city directly impact the City's taxpayers as the costs for defense and potential damages are passed on to them through property tax levies. Staff believes it is in the best interest of those taxpayers and the City as a whole to resolve at least in part the current and potential future lawsuits in this way.

After receiving and reviewing the current complaint with the Cloquet City Council, staff felt it was a good time to review the impact, both benefits and disadvantages, resulting from the requirement of our project labor agreement. Staff specifically reviewed Ordinance 472A, which outline five detailed items supposedly providing and benefiting to the residents of Cloquet, city operations and projects, and private development. After careful review, staff believes items one through five are a direct result of proper project management, not a result of requiring a project labor agreement.

Staff continued their review and considered the impact of project labor agreements on city residents, city projects, and private development. With many city projects completed since the City started requiring project labor agreements, we believe our completed project sample size clearly show the negative impact on residents and city staff/projects. In specialty projects, including the salt shed, skatepark, water tank repairs, landscaping, etc. we have seen negative impacts to timely projects and cost control. In these examples, we found that many necessary contractors are entirely unwilling to sign a project labor agreement, causing the pool of potential contractors to shrink all the way to, in some situations, one willing contractor. When a project is limited to one willing contractor, costs are likely to increase due to the lack of competition. Efficiency has also been impacted. In many cases we spend additional staff time trying to unnecessarily break up the bidding of projects, or simply trying to find potential contractors.

Private development is perhaps the easiest example to show an impact. There are numerous developers who have done, and are willing to continue to do, developments within the City of Cloquet but show an unwillingness to move forward on projects due to the requirement of project labor agreement. In a time when communities are constantly competing for development, begging for additional housing stock, constantly looking for redevelopment in downtown vacant stores, we should not stand in the way and add additional blockades. Again, with every lost opportunity of private development, we must recognize the negative property tax implications to the residents of Cloquet. When project labor agreements were initially discussed and brought before the city council, we ignored the recommendations from our very own Economic Development Authority and a letter from one of the most important industries in Cloquet. The Cloquet EDA voted and recommended to the city council to not impose the requirement of project labor agreements.

Much of the discussion surrounding this topic has come down to union versus non-union, and that simply is not the case. In every conversation surrounding this topic, staff have agreed how important union labor is to the community and to our projects. Repealing this ordinance does not mean that the city or private developers will not utilize union labor, in fact the city of Cloquet is lucky to have many union operations in town that have been a part of, and fantastic partners to, city projects. We know this will continue. This conversation is based on efficiency of projects and doing right by the citizens in Cloquet. This is not union versus non-union issue.

**Supporting Documentation Attached**

- Ordinance No. 496A
- Ordinance No. 465A
- Ordinance No. 472A
- City Code Section 9.2

**CITY OF CLOQUET, MINNESOTA**

**ORDINANCE NO. 496A**

**AN ORDINANCE PROVIDING FOR THE REPEAL OF  
CLOQUET CITY ORDINANCE NUMBERS 465A, 472A AND SECTION 9.2  
OF THE CLOQUET CITY CODE REQUIRING PROJECT LABOR AGREEMENTS**

**NOW THEREFORE, the Mayor and City Council of the City of Cloquet do hereby ordain  
as follow”**

**SECTION 1. REPEALER**

That Ordinance 465A, 472A and the Section 9.2 of the City Code requiring project labor  
agreements on City project contracts are hereby repealed.

**SECTION 2. EFFECTIVE DATE**

This Ordinance shall take effect and be in force from and after its passage and publication

**Passed by the City Council of Cloquet, Minnesota, this \_\_\_\_\_ day of \_\_\_\_\_, 2021.**

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Administrator

Published on the \_\_\_\_\_ day of \_\_\_\_\_, 2021, in the \_\_\_\_\_.

## ORDINANCE NO. 465A

### AN ORDINANCE REQUIRING PROJECT LABOR AGREEMENTS ON CITY PROJECT CONTRACTS ISSUED BY THE CITY OF CLOQUET, MINNESOTA

The City Council of the City of Cloquet does hereby ordain as follows:

**Section 1. City Code Amendment.** That the Cloquet City Code, be amended by adding a new Section 9.2 to Chapter 9, to read as follows:

#### **Section 9.2: Project Labor Agreements**

**9.2.01. Policy.** The city, as a purchaser of construction services, has a compelling interest in ensuring that the city construction contracts proceed in a timely, cost-effective manner with the highest degree of quality and with minimal delays and disruptions. City contracts should be performed with the highest degree of safety for workers and the public, and in a manner, that provides meaningful training and employment opportunities for residents. Throughout the state and country, public and private construction owners regularly utilize and require project labor agreements for billions of dollars' worth of construction each year. Project labor agreements that establish uniform terms and conditions of employment for the contractors and other parties working on a project have been shown to provide an effective mechanism for construction management because they allow project owners to:

- (1) Predict their labor costs and requirements, and, therefore, more accurately estimate actual total project costs;
- (2) Promote cost-efficient, timely and safe construction project delivery, by providing access to a reliable supply of properly trained and skilled construction craft personnel for all aspects of the project;
- (3) Assure greater productivity and workmanship quality from construction craft personnel, thereby yielding high quality, cost-efficient projects, while also reducing maintenance and repair costs over the life of the project;
- (4) Integrate work schedules and standardize work rules for the project to provide a well-coordinated, efficiently functioning construction worksite that will minimize delays, promote quality, and maintain project safety; and

(5) Assure that construction will proceed without interruption from staffing shortages, high employee turnover, safety incidents, and labor disputes by providing reliable project staffing, contractual guarantees against work stoppages and mutually binding procedures for resolving disputes;

**9.2.02. Project Labor Agreement Required.** A project labor agreement, in substantially the form adopted by resolution of the council from time to time and kept by the city clerk as a public document, shall be required to be used on each city construction project, as Project is defined below, with a total project cost of \$175,000 or more. Any project labor agreement entered into by the city shall be made binding on all contractors and subcontractors working on the project. The city shall implement the project labor agreement by requiring adherence to the agreement in the bid specifications in all relevant bid documents. No contractor shall be required to be or become a party to a collective bargaining agreement on any other construction project in order to qualify to work under a project labor agreement implemented for a particular city project.

**Project Defined.** For purposes of this Section, "Project" shall mean work performed under Contract with the City or work performed where the City provides any financial assistance or payment (including but not limited to Contract payments, grants, loans, loan guaranties, tax increment financing, tax abatements, tax payments, lease payments, loan payments, contract for deed payments or revenue for bonds) for the erection, destruction, demolition, painting, remodeling or repairing of any building, highway, sidewalk, bridge, water or gas line, sewer and sewage treatment facility or other similar work.

**Section 2. Effective Date.** This ordinance shall take effect and be in force from and after its passage and publication in accordance with law.

Passed this 2<sup>nd</sup> day of May, 2017.

CITY OF CLOQUET

By: \_\_\_\_\_  
Its Mayor

ATTEST:

By: \_\_\_\_\_  
Its Interim City Administrator

Published this \_\_\_\_\_ day of \_\_\_\_\_, 2017

## ORDINANCE 472A

### AN ORDINANCE ADOPTING AND REQUIRING PROJECT LABOR AGREEMENTS WITHIN THE CITY OF CLOQUET

The Mayor and City Council of the City of Cloquet does hereby ordain that Chapter 9.2 of the Cloquet City Code is hereby replaced as provided below:

#### **Section 9.2 Project Labor Agreements**

**9.2.01 Policy.** The City desires to advance or preserve its own proprietary interest in a Project where it acts as an owner, investor or developer. That interest is best served when construction of "Covered Projects" proceed in a timely, cost-effective manner with the highest degree of quality and with minimal delays and disruptions. City contracts should be performed with the highest degree of safety for workers and the public, and in a manner, that provides meaningful training and employment opportunities for residents. Throughout the state and country, public and private construction owners regularly utilize and require project labor agreements for billions of dollars' worth of construction each year. Project labor agreements that establish uniform terms and conditions of employment for the contractors and other parties working on a project have been shown to provide an effective mechanism for construction management because they allow project owners to:

- (1) Predict their labor costs and requirements and more accurately estimate actual total project costs;
- (2) Promote cost-efficient, timely and safe construction project delivery, by providing access to a reliable supply of properly trained and skilled construction craft personnel for all aspects of the project;
- (3) Assure greater productivity and workmanship quality from construction craft personnel, thereby yielding high quality, cost-efficient projects, while also reducing maintenance and repair costs over the life of the project;
- (4) Integrate work schedules and standardize work rules for the project to provide a well-coordinated, efficiently functioning construction worksite that will minimize delays, promote quality, and maintain project safety; and,
- (5) Assure that construction will proceed without interruption from staffing shortages, high employee turnover, safety incidents, and labor disputes by providing reliable project staffing, contractual guarantees against work stoppages and mutually binding procedures for resolving disputes.

**9.2.02 Project Labor Agreement Required.** A project labor agreement, will be substantially in the form adopted by resolution of the Council from time to time and will be kept by the city administrator as a public document. It shall be required to be used on any Covered Project, as Covered Project is defined below, which involves a project with a total City investment of \$175,000 or more. Any project labor agreement entered into by the City shall be made binding on all contractors and subcontractors working on the Covered Project. The City shall implement the project labor agreement by requiring adherence to the agreement in the bid specifications and in all relevant bid documents. No contractor shall be required to be or become a party to a collective bargaining agreement on any other construction project in order to qualify to work under a project labor agreement implemented for a particular city project.



Project Defined. "Project" shall mean the erection, destruction, demolition, painting, remodeling or repairing of any building, highway, sidewalk, bridge, water or gas line, sewer and sewage treatment facility or other similar work conducted within the City.

Covered Project Defined. "Covered Project" means that the City has a contract for construction services on a Project owned by the City with a total Project cost of \$175,000 or more, or the City has a proprietary interest because one or more of the following conditions are met:

- (1) The City makes a payment or grant of \$175,000 or more to assist the development of a Project.
- (2) The City guarantees loan payments, lease payments or contract for deed payments of \$175,000 or more to assist the development of a Project.
- (3) The City receives ongoing revenue from a Project to repay loans provided by the City to assist the development of said Project, including incremental tax revenues generated by the Project and used directly or indirectly, to repay the loan by the City where the proceeds of the loan are used for development of that Project and the amount of the loan is \$175,000 or more.
- (4) The City receives ongoing revenue from a Project to pay debt service on bonds provided by the City to assist in the development of said Project, including incremental tax revenues generated by the Project and used, directly or indirectly, to pay debt service on bonds by the City where the proceeds of the bonds issued are used for development of the Project and the amount of the bonds are \$175,000 or more.
- (5) That the City otherwise has assets at risk equal to or in excess of \$175,000 because it has agreed to underwrite or guarantee the development of a Project.

**EFFECTIVE DATE.**

Subdivision 1: This Ordinance shall be in full force and in effect from and after its passage, approval, recording and publication as provided by law.

Passed and adopted by the City Council of the City of Cloquet on the 6<sup>th</sup> day of March 2018.

\_\_\_\_\_  
Dave Hallback, Mayor

Attest: \_\_\_\_\_  
Aaron Reeves, City Administrator

**Section 9.2: Project Labor Agreements**

**9.2.01 Policy.** The City desires to advance or preserve its own proprietary interest in a Project where it acts as an owner, investor or developer. That interest is best served when construction of Covered Projects proceed in a timely, cost-effective manner with the highest degree of quality and with minimal delays and disruptions. City contracts should be performed with the highest degree of safety for workers and the public, and in a manner, that provides meaningful training and employment opportunities for residents. Throughout the state and country, public and private construction owners regularly utilize and require project labor agreements for billions of dollars' worth of construction each year. Project labor agreements that establish uniform terms and conditions of employment for the contractors and other parties working on a project have been shown to provide an effective mechanism for construction management because they allow project owners to:

- (1) Predict their labor costs and requirements, and, therefore, more accurately estimate actual total project costs;
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- (3) Assure greater productivity and workmanship quality from construction craft personnel, thereby yielding high quality, cost-efficient projects, while also reducing maintenance and repair costs over the life of the project;
- (4) Integrate work schedules and standardize work rules for the project to provide a well-coordinated, efficiently functioning construction worksite that will minimize delays, promote quality, and maintain project safety; and
- (5) Assure that construction will proceed without interruption from staffing shortages, high employee turnover, safety incidents, and labor disputes by providing reliable project staffing, contractual guarantees against work stoppages and mutually binding procedures for resolving disputes.

**9.2.02 Project Labor Agreement Required.** A project labor agreement, will be substantially in the form adopted by resolution of the Council from time to time and will be kept by the city administrator as a public document. It shall be required to be used on any Covered Project, as Covered Project is defined below, which involves a project with a total City investment of \$175,000 or more. Any project labor agreement entered into by the City shall be made binding on all contractors and subcontractors working on the Covered Project. The City shall implement the project labor agreement by requiring adherence to the agreement in the bid specifications in all relevant bid documents. No contractor shall be required to be or become a party to a collective bargaining agreement on any other construction project in order to qualify to work under a project labor agreement implemented for a particular city project.

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- (1) The City makes a payment or grant of \$175,000 or more to assist the development of a Project.
- (2) The City guarantees loan payments, lease payments or contract for deed payments of \$175,000 or more to assist the development of a Project.
- (3) The City receives ongoing revenue from a Project to repay loans provided by the City to assist the development of said Project, including incremental tax revenues generated by the Project and used directly or indirectly, to repay the loan by the City where the proceeds of the loan are used for development of that Project and the amount of the loan is \$175,000 or more.

(4) The City receives ongoing revenue from a Project to pay debt service on bonds provided by the City to assist in the development of said Project, including incremental tax revenues generated by the Project and used, directly or indirectly, to pay debt service on bonds by the City where the proceeds of the bonds issued are used for development of the Project and the amount of the bonds are \$175,000 or more.

(5) That the City otherwise has assets at risk equal to or in excess of \$175,000 because it has agreed to underwrite or guarantee the development of a project.

## **Kristine St.Arnold**

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**From:** Tim Peterson  
**Sent:** Monday, April 26, 2021 7:50 AM  
**To:** Warren Carlson; Chris Swanson; Elizabeth Jaakola; Kerry Kolodge; Lara Wilkinson; Roger Maki; Sheila Lamb  
**Cc:** Kristine St.Arnold  
**Subject:** FW: Cloquet PLA thoughts

Below is a message regarding the ordinance to repeal the PLA.

Tim Peterson  
City Administrator  
City of Cloquet  
Work: 218.879.3347  
Cell: 218.349.4255

**From:** ADAM KIMINSKI <akiminski@msn.com>  
**Sent:** Sunday, April 25, 2021 9:46 PM  
**To:** Tim Peterson <TPeterson@cloquetmn.gov>  
**Subject:** Cloquet PLA thoughts

Hello Tim, Adam Kiminski here from Kiminski paving. I just wanted to share a my thoughts thoughts on the PLA. As the owner of a construction company based based in town. Kiminski paving has been both a union and non union contractor. For most of our existence 1989 - current we were a non union contractor. Over the last 5-6 years We have made the very tough decision to convert to a union contractor, with some residential agreements involved. The major factors for our decision to go union are more opportunities to quote union prime contractors with quotes for earthwork and paving on there projects. That along with the health care that opportunity. Although still very expensive, it was better insurance and a better price than what we found in the open market.

I am a firm believer that no company should be forced to sign a union agreement. In fact I think it's wrong. If the city wants to keep jobs on a level bidding platform they simply bid there jobs as Davis bacon/ or prevailing wage. These wages are set by the state and are completely in line with union wages. One thing I want our city councilors to know, is that the only person or group that wins in a PLA is the union. It is totally false for the union reps to state that PLA's help keep the money local. If a local non union contractor gets a job and signs a PLA with the city of Cloquet. His employee will get paid there wage, all of the money paid on that job under the employee benefits will go to the Union. That employee or the contractor will never see a penny. Here is an example.

Wage for a PLA job: \$36 per hour to employee as wage. \$19 per hour to the union for health and welfare/pension. The health and pension money will never come back to this community. The union keeps it, and since that employee is not union. They will never get a penny back

Wage for a prevailing wage job: same \$36 per hour to employee. Same \$19 per hour to benefits. Only those get paid directly to the employee. He very likely will spend much of that money locally.

The cost to the city is exactly the same in both cases. I don't believe the city should be making the decision for contractors or there employees to hand over \$15-20 per hour to the union for nothing in return. It is a very difficult and financially challenging decision for contractor to become union. I don't believe a contractor should be forced into that decision just because they'd like to bid on a project that may fit there company best. We are a union company, and are comfortable being one. We were also comfortable being non union. As a local union construction business owner and Active member of the operators union I'm opposed to the city's PLA, I believe there is zero benefits to our city or it's

## **Kristine St.Arnold**

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**From:** Tim Peterson  
**Sent:** Monday, April 26, 2021 7:51 AM  
**To:** Warren Carlson; Chris Swanson; Elizabeth Jaakola; Kerry Kolodge; Lara Wilkinson; Roger Maki; Sheila Lamb  
**Cc:** Kristine St.Arnold  
**Subject:** FW: PLA Policy Questions to Consider

Below is a message regarding the ordinance to repeal the PLA.

Tim Peterson  
City Administrator  
City of Cloquet  
Work: 218.879.3347  
Cell: 218.349.4255

**From:** David Chmielewski <dave@blackhoof.com>  
**Sent:** Friday, April 23, 2021 8:17 PM  
**To:** Tim Peterson <TPeterson@cloquetmn.gov>  
**Subject:** PLA Policy Questions to Consider

The entities who have filed suit have made the determination, either on a financial or philosophical basis, that the standing PLA ordinance is not right or just.

I believe the fundamental consideration by the Council is whether or not it is right and just to provide members of a private labor organization exclusive bidding privileges, on both publicly funded, and privately funded projects underwritten by public business subsidies? Is it right or just to convey these types of privileges to any private organization via ordinance?

Is it also right and just to force contractors who are not members of private labor organizations, to conform to that organization's membership requirements, in order to participate in certain project work?

Let's also consider the private developer, investing millions in private equity to promote private projects in a community who needs those projects, and wants those projects. Due to the economic circumstances of that community, the project cannot be supported by bank underwriting and real estate valuations without a public business subsidy. After all of the personal and professional capital the developer puts at risk, does she then want to be required to involve an unrelated private labor organization in her project? Does the developer want to be forced to subscribe to this organization's rules, reporting and labor hiring practices? Is it tenable to the developer to have a unrelated, private labor organization who has become, by government mandated ordinance, a stakeholder in the project with absolutely no equity contributed or risk taken?

Does the developer simply make a decision that it is easier and less risky to invest in a community (one of hundreds) that does not force, by ordinance, the will of a private labor organization on her and her project?

Does the non-union contractor, who has developed skills over decades of hard work, feel supported by his community when they elect officials who pass ordinances that tell him- because of your organizational choices as a business owner, you are not welcome to participate in bidding on our community supported projects- private and public? Does he conform to the PLA ordinance, or does he focus his efforts in other markets, taking his skilled employees with him? Does he move his family and business away?

## Tim Peterson

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**From:** Adam Hanson <adam.hanson@mnabc.com>  
**Sent:** Monday, April 26, 2021 3:12 PM  
**To:** Roger Maki; Warren Carlson; Sheila Lamb; Chris Swanson; Kerry Kolodge; Elizabeth Jaakola; Lara Wilkinson  
**Cc:** Tim Peterson; Holly Hansen  
**Subject:** Cloquet PLA Discussion  
**Attachments:** City of Cloquet Project Labor Agreement.pdf

Hello Mayor Maki, City Council members, City Administrator Peterson, and Director Hansen,

My name is Adam Hanson and I am with Associated Builders and Contractors of MN. We are an association of commercial and industrial contractors across Minnesota who are very much concerned with the use of project labor agreements on taxpayer-funded construction projects like those at issue before the city. Our members and their craft professionals choose not to be in a union for a variety of reasons – and they aren't alone. In Minnesota, 75% of all construction workers aren't in a union either. But PLAs essentially tell these Minnesotans -including those who live in Cloquet – that they are not welcome to work on the projects they are asked to help pay for. Here are several of our other concerns with PLAs, as well as a response to several of the union officials who testified at last week's council meeting.

**PLAs discriminate** against merit shop contractors, disadvantaged businesses, and minority-owned business who choose not to be signatory to union agreements. This discrimination is particularly harmful to women- and minority-owned construction businesses whose workers traditionally have been under-represented in construction unions. Merit shop general contractors often utilize union subcontractors for projects and have had great success at doing so – both in the public and private sector. Union general contractors, however, are contractually prohibited from using merit shop subcontractors. Open jobsites that are free of labor affiliation discrimination is what the city should be promoting – not closed jobsites.

**PLAs also harm local workers.** Proponents claim PLAs ensure the use of local workers, but that is misleading. PLA supporters fail to mention the term "local workers" excludes local nonunion workers. In construction markets where the demand for union labor is greater than the supply, union workers from outside the local area are given preference over qualified local nonunion workers on PLA projects. In one instance, a Twin Cities area school district who adopted a PLA was forced to bring in union pipefitters from Chicago because of a shortage of union pipefitters in the metro. Instead of hiring local merit shop pipefitters (many of whom we represent), the district's PLA forbid them from doing so.

While we applaud the city's decision to remove the union security provision recently, there are still sections of the city's PLA that make it nearly impossible for non-union workers to be found on PLA-covered projects. Article IV of the city's PLA says that employees will be referred to the contractors from the unions themselves. Their priority, not surprisingly, is given to union workers based on seniority in the union with non-union applicants at the bottom of that list.

The staff report that was read aloud last week addressed many of the other points we share that call into question the need for PLAs. Proper project management and a fair and open bid environment ensure both cost, time, and quality can be maintained. During the public comment, many of the PLA proponents made

claims that PLAs are needed to ensure quality, safety, and projects completed on time. But if you read through the city's PLA, nothing in it guarantees these things. Mr. Gilbert stated last week that PLAs are common in Minnesota. Nothing could be further from the truth. Only a handful of cities, counties, or municipalities use PLAs on taxpayer-funded construction projects. He also testified that any contractor can bid on a PLA project and not pay dues. This is incredibly disingenuous and factually not true. In the city's own PLA (attached, see Sections 9 and 10), contractors must pay into union benefit funds as a condition of being awarded the project. Mr. Olson from the Duluth Building Trades made similar comments to this point.

Mr. Campeau, also from the Duluth Building Trades, made a statement that contractors can choose to sign PLAs and know that they're getting the highest quality and safest workers. This is curious because his union and others throughout Minnesota routinely spend countless time, energy, and money trying to recruit my members' and their employees into their union. It would be odd for them to be trying to fill their ranks with workers and contractors who supposedly aren't high-quality or safe. He also stated that their training receives no taxpayer funding – yet under this city's PLA (and others), contractors who receive the taxpayer funding must pay into the union's training programs and other benefit funds that the union administers. For non-union workers, their employers must pay into the unions' funds on the workers' behalf per the PLA but the worker will never see those benefits because they aren't in the union. This is a form of wage theft in my opinion. He also mentioned that his members have multiple state licenses in order to work. This undermines their arguments and claims about local hiring if their members can travel across state lines to work (displacing local workers there) while saying they don't want them coming here.

This being said, the building trades unions do not have a monopoly on skilled and safe craft professionals. Yet they are asking this city council to keep in place an exclusive and discriminatory PLA that gives them a monopoly on taxpayer funded construction projects so they don't have to compete with other local, merit shop construction workers. It's time to end the use of PLAs in Cloquet and let *all* local construction workers and contractors compete to build your city's construction projects.

Thank you and I would be happy to talk with you more if you have questions before next Tuesday's meeting.

Sincerely,

**Adam Hanson** | Director of Government and Public Affairs  
**Associated Builders and Contractors of MN/ND**  
10193 Crosstown Circle | Eden Prairie, MN 55344  
Phone: [952-941-8693](tel:952-941-8693) | Cell: [651-260-6266](tel:651-260-6266)

April 26, 2021

Letter to the Editor:

My name is David Hallback I previously held the position as City of Cloquet's Mayor.

It was an honor to represent the citizens of Cloquet. I was proud of many things that moved Cloquet forward, during my tenure.

However, I am troubled by the recent discussion to remove the (PLA) project labor agreement ordinance.

The PLA does not restrict any contractors, union or nonunion, they are all allowed to bid and work on these projects, these are public projects in the City of Cloquet where taxpayers money is used to finance developers. The project must be more than \$150,000 in subsidies to require the PLA.

I have read there is a court challenge to the PLA, based on a recent court case called (Janus) filed by a group called the Christian Labor Association (CLA) and two nonunion Duluth Contractors, the Duluth Building & Construction Trades Council's attorneys have worked with the league of MN cities and city & county attorneys to amend the PLA's to omit any union security clauses that seemed to be the bases of the CLA suit. This has been completed in the City of Cloquet, and the briefs were filed last week to dismiss this action.

I urge the City of Cloquet Mayor and Councilors not to remove the PLA Ordinance. It's worked to put Cloquet contractors, Cloquet women & men in the trades to work.

David Hallback