

## CITY COUNCIL

7:00 P.M.

April 16, 2007

Present: Scott M. Johnson  
David Gustafson  
Pat Kelley  
Steven Marolt

Absent: James P. Kelly, excused

Tom Smith, City Administrator  
Wayne G. Johnson, City Attorney

Also attending: Pat Ramsdell, Carol Youngberg, Elwood Youngberg, Marie Frey, Jeff Berquist

Mayor Johnson called the meeting to order at 7:00 P.M.

CONSENT AGENDA – Motion Gustafson, second Marolt to approve the Consent Agenda item 3 (minutes of April 2 Council meeting with the following correction: Member Marolt voted naye on the motion to authorize an expenditure of \$3,000 for Silver Beaver Days), and item 3 (Treasurer's reports for January and February 2007). THE MOTION CARRIED

### PETITIONS, REQUESTS, & COMMUNICATIONS

Letter of April 14, 2007, from St. Mary's Catholic Church stating it would allow use of their parking lot for parking and driving in and out of the Mary Mac building unless they had a church service and needed the lot for their parishioners to park.

Letter, dated April 16, 2007, from Bay Area Vineyard stating that it is interested in purchasing the Mary MacDonald School. Marie Frey asked if the Vineyard intended to have a school in the building. Atty. Johnson stated the contract with the school district provided that the City could not lease or sell the building to an institution that might be competitive to the school. The school board would now like to discuss that issue with the city. The city administrator was asked to contact the superintendent regarding this.

Mayor Johnson noted several communications he had received including the notice of the June 27-29 League of MN Cities Conference.

DEPARTMENTS – CITY ATTORNEY – Letter to Lake County Atty. re: Joint Powers Agreement—North Shore Drug Response Team. No response has been received yet.

CITY SHOP LAND – Tom Martinson, Lake County, has said he will recommend to the County Board that the property the city currently does not own in the city shop area be deeded to the city. In addition, he will recommend the county also deed over a strip of land behind Charles Circle. Attorney Johnson said it would benefit the City to acquire that strip of land.

Motion Gustafson, second Marolt to accept the donation of land in the City Shop area and behind Charles Circle from the County and to authorize the City Attorney to negotiate this with the County and prepare the legal papers. THE MOTION CARRIED

## OLD BUSINESS

MARY MACDONALD BUILDING – Member P. Kelley said he would like to know what it would cost to bring Mary MacDonald into compliance with the City Code. He asked if the city had a timeline and a plan for doing this. Atty. Johnson suggested the city should authorize getting an appraisal of the building. Council members decided they needed to know the costs for bringing the building into compliance before a decision could be made regarding the feasibility of keeping or selling the building.

Motion P. Kelley, second Marolt to authorize the City Administrator to put together a cost proposal for bringing Mary MacDonald up to code. THE MOTION CARRIED

Member Gustafson made comments regarding city donations to city celebration events. He noted expenses for the 2006 celebration were about \$28,000. Total income of \$32,700 (including donations of \$15,000 from the city and \$5,000 from Cleveland Cliff's) left a profit of over \$4,000. He felt one could not put a dollar value on a community celebration which brings people into the community and results in increased business, including at the city liquor store. Member Marolt suggested the city might consider making the city's donation from the liquor enterprise fund, which profited from the celebrations.

## NEW BUSINESS

RESOLUTION REQUESTING COMPREHENSIVE ROAD & TRANSIT FUNDING IN 2007 – Council Members P. Kelley and D. Gustafson said they did not favor a resolution of support for road and transit funding because the transit fund had already received increased funding and because increased taxes would be a burden on the city's fixed income population. Council declined to take action on the request for support.

RECOMMENDATION FROM PLANNING & ZONING COMMISSION TO REZONE PROPERTY TO FR – Planning and Zoning held a public hearing on April 11 and recommends approving the request of Patrick Ramsdell to rezone property.

Motion P. Kelley, second Gustafson to approve the application of Patrick Ramsdell to rezone that part of Parcel 5 which lies in the NE ¼ of the SE ¼ Sec 29 T 56N R7W, Lake County MN from RR (Resort & Recreation) and LI (Limited Industry) to FR (Forest Reserve). THE MOTION CARRIED

AUDITOR PROPOSED ENGAGEMENT LETTER – Motion P. Kelly, second Gustafson to enter into a proposal with Kern, DeWenter, Viere to provide audit services to the City of Silver Bay for FY07, FY08, and FY09 at a cost of \$15,400, \$16,300, and \$17,300 respectively.

THE MOTION CARRIED

Member Gustafson noted the building that had blown into a yard on Banks was still there. The City Administrator will follow up on this with the Police Department.

RECOMMENDATION FROM PUBLIC WORKS COMMISSION RE: SIDEWALKS IN QUINCY/REED AREA – The Public Works Commission recommends that city pay for the cost of installing sidewalks on the west side of Quincy and the south side of Reed and that the work be completed and paid for by 2010. NEXT AGENDA

PUBLIC WORKS COMMISSION RECOMMENDATION RE: REQUEST TO PURCHASE PROPERTY – The Public Works Commission recommends the city not sell the land adjacent to 49 Marks at this time because of possible future development and because the city has an easement on the property. NEXT AGENDA

CLAIMS – Motion Gustafson, second Marolt to approve the payment of \$42,018.10 unpaid claims and \$49,394.24 paid claims as presented.

Member P. Kelley questioned a line item on the attorney's billing to discuss the sale of Mary MacDonald with G. Cheney of the Vineyard when Council had not been informed of nor had they authorized negotiations for sale of the property. Atty. Johnson stated when citizens came to him with questions, he had a responsibility to answer those questions. In this case a lessee had come in to discuss his lease and in the course of conversation had indicated his group might be interested in purchasing the building. Atty. Johnson said Council had authorized him and the City Administrator to handle negotiations. Member P. Kelley said the Council had authorized negotiating leases but not sales. Mayor Johnson asked that the attorney keep the Council more closely informed, perhaps by memorandum, regarding any discussions he might have on the sale of the building. A vote was called on the motion to pay claims. THE MOTION CARRIED

Motion P. Kelley, second Marolt to adjourn at 8:04 p.m. THE MOTION CARRIED

Minutes taken by Betty Oslund

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Scott M. Johnson, Mayor

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Tom Smith, City Administrator