

CITY COUNCIL

7:00 P.M.

June 16, 2008

Present: Scott M. Johnson  
David Gustafson  
Steven Marolt  
Amber Dow

Absent: Pat Kelley, excused

Lana Fralich, City Administrator  
Wayne Johnson, City Attorney

Also attending: James Larson, Michael Miller, George Pope, Ruth Koepke, Harold Koepf, Al Goodman, Marie Frey, Mike Larson—SEH Engineering

Mayor Johnson called the meeting to order at 7:02 p.m.

CONSENT AGENDA – Motion Marolt, second Dow to approve the Consent Agenda item 3 (minutes of June 2, 2008, Council Meeting and Treasurer's Report for December 2007).

THE MOTION CARRIED

ARENA BUDGET AMENDMENT – Motion Dow, second Marolt to transfer \$9553.24 from the 901 Arena Capital Improvements within the 401 fund to the 241 Arena Fund. THE MOTION CARRIED

PETITIONS, REQUESTS, & COMMUNICATIONS – Thank you letter from the After-Prom Committee, notice of 2008 Coalition of Greater Minnesota Meeting and Lorman training session, thank you letter from Scott Larson of Lake County Board of Commissioners to state senator Bakk and state representative Dill thanking them for their assistance in securing IRR funds for the Mary MacDonald renovation, letter from Northshore Management Board regarding their work plan for 2008, letter from Jeff Anderson of ProSource Technologies regarding the May 19 informational session on the abandoned tank program, letter from MN/DOT Aeronautics stating the State will continue maintenance funding for airports although there is no money available for grants.

PROFESSIONAL PRESENTATIONS

Mike Larson of SEH Engineering was present regarding a proposal for renovation of the MacDonald Building. He noted a first priority would be to get the building up to Code.

Motion Marolt, second Gustafson to enter into agreement with SEH Engineering for engineering services for the Mary MacDonald Building rehabilitation project as set forth in their letter of June 2, 2008. The total project budget is \$760,000. THE MOTION CARRIED

Lake County Engineer Al Goodman was present to request the City's support for priorities for the use of local County/State Aid money for the reconstruction of Trunk Highway 61 projects in Lake County and water/sewer/road replacement on Banks, Davis and Horn within Silver Bay. Council agreed with the County's number one priority for Highway 61 (the 3 miles between Beaver Bay and Silver Bay) and also with the Banks/Davis/Horn reconstruction within the City.

HISTORICAL SOCIETY REQUEST FOR SHELVING – Ruth Koepke asked if the Bay Area Historical Society could have the discarded liquor store shelving.

Motion Marolt, second Dow to allow the Bay Area Historical Society to have discarded shelving from the liquor store subject to the liquor store manager's approval. THE MOTION CARRIED

MARINA VENDOR FEES – George Pope stated organizers of Silver/Beaver Bay Days wanted to have vendors at the marina. He felt the fees (\$50 per vendor), however, would keep vendors away and asked that the fees be waived. Council referred Mr. Pope to the parks and recreation director and noted the State had certain restrictions on activities and fees at the marina.

## DEPARTMENTS

### CITY ADMINISTRATOR

THRIVENT FINANCIAL SIGNATORY CHANGE – Motion Gustafson, second Marolt to authorize a change in signatories for the Thrivent Financial 456 Deferred Compensation Plan. THE MOTION CARRIED

SIGNATORY CHANGES – Motion Gustafson, second Marolt to allow the city administrator to make necessary signatory changes as needed. THE MOTION CARRIED Council asked that the administrator inform them when a change had been made.

MEMO OF UNDERSTANDING – Mrs. Fralich clarified that seasonal employees such as the cemetery caretaker, seasonal groundskeeper, and seasonal marina aide I were not entitled to union wage increases and benefits. She said also that the office kept a log of days worked and informed department heads when an employee was nearing the 67-day limit.

Motion Marolt, second Gustafson to adopt the Memo of Understanding dated 5-28-08 (which replaces the one dated 5-19-06) pertaining to the Labor Agreement between the City of Silver Bay and the Local #49. THE MOTION CARRIED

LAKE COUNTY SOLID WASTE DEPARTMENT – Motion Gustafson, second Dow to authorize Lake County Solid Waste Department to use the street department building for the collection of hazardous waste. THE MOTION CARRIED

DEED – Motion Marolt, second Gustafson to allow the city administrator to attend the training for Brownsfield and Redevelopment funding in St. Paul on June 24, 2008, with usual expenses paid. THE MOTION CARRIED

AIRPORT FUEL TANK CLEANING - Motion Gustafson, second Dow to authorize the city administrator to enter into a contract with EMR in the amount of \$2900 for cleaning the airport fuel oil tank. THE MOTION CARRIED

ATV EVENT – Although the parade record was not broken, the event went very well. The liquor store manager reports the store had about \$20,000 in sales over the weekend.

MARY MACDONALD MANAGER – The personnel committee received 2 applicants for the MacDonald manager position. The Mary MacDonald Committee will bring a recommendation to Council at its special meeting.

Motion Gustafson, second Marolt to set a Special Council Meeting for 5:00 p.m. June 26, 2008, for the purpose of considering a contract for the Mary MacDonald manager position and for meeting with Spectrum Health regarding an assisted living facility.  
THE MOTION CARRIED

RESIGNATION OF L. MORRIS – Motion Marolt, second Dow to accept the resignation of Leondra Morris from her position as assistant deputy-clerk, effective July 1, 2008, and to authorize the city administrator to advertise for the position. THE MOTION CARRIED

CITY ATTORNEY

AMENDMENT TO THE CITY ZONING CODE - SECTION 1120.18, SUBDIVIDING AND PLATTING COSTS – This amendment provides that the person subdividing or platting land within the City shall pay the costs incurred by the City for this procedure.

Motion Marolt, second Gustafson to adopt **Resolution 2008-#24, A Resolution to Adopt an Amendment to the City Code By Adding Section 1120.18**

Roll call vote: Member Gustafson – aye  
Member Marolt – aye

Member Dow – aye  
Mayor Johnson – aye

Absent for vote: Member Kelley

THE RESOLUTION WAS ADOPTED

OPINION ON NUISANCE CLAUSE – Atty. Johnson said no amendment was needed to the nuisance clause because the language of the Code was sufficiently clear that it is the responsibility of the police to make regular inspections, issue citations, and insure compliance. Council members agreed they wanted this section of the Code enforced. Member Dow asked what the procedure was if fines were not paid. Atty. Johnson will research this.

CHANGE TO THE MAYOR TERM – Atty. Johnson reported according to the City Code the City could establish a four year term for the mayor.

ANNUAL CITY ATTORNEY MEETING – Atty. Johnson asked Council to approve expenses for his attendance at the June 19 Annual City Attorney's meeting at a cost of \$108 for registration plus one night's lodging.

Motion Gustafson to approve attendance of the city attorney at the June 19 Annual City Attorney's Meeting in Minneapolis with usual expenses paid. There was no second to the motion.

Motion Marolt, second Gustafson to allow the city attorney to attend the annual city attorney's meeting in Minneapolis with usual expenses paid but would not be paid until a report was presented to council regarding the content of the meeting.

Member Dow noted the council had paid expenses for the city attorney for another meeting he had recently attended and asked if the content of this meeting would be different. Atty. Johnson said the information was varied each time.

THE MOTION CARRIED. Member Dow voted naye.

Member Dow thanked council for allowing her to attend the recent LMC meeting and briefly noted contacts she had made and information she had brought back from the meeting.

CLAIMS - Motion Gustafson, second Marolt to approve payment of \$51,968.05 unpaid claims, paid claims of \$80,896.29 and \$57,766.81, and a \$240 payment to MN/DOT for billboard advertising. THE MOTION CARRIED

Motion Marolt, second Dow to adjourn at 8:36 p.m. CARRIED

Minutes taken by Betty Oslund

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Scott M. Johnson, Mayor

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Lana Fralich, City Administrator