

CITY COUNCIL

7:00 P.M.

May 19, 2008

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

Cheryl Marolt, Deputy Clerk-Treasurer
Wayne G. Johnson, City Attorney

Also attending: John and Shelley Fredrickson, David Salene, Harold Koepp, Chris Mattila, Carlene Perfetto, Mark LeBlanc, Gary Thompson, Tom Harris, Jack Swanson

Mayor Johnson called the meeting to order at 7:03 p.m.

CONSENT AGENDA – Motion Gustafson, second Kelley to approve item 3 (minutes of April 29 Special Council Meeting and May 5 regular Council Meeting). THE MOTION CARRIED

PETITIONS, REQUESTS, & COMMUNICATIONS

REPORT ON LIQUOR STORE PROJECT – Gary Thompson, City Zoning Administrator, reported on the progress of the liquor store project. He noted it appears that the off sale should be able to move back to the newly remodeled bar on or about May 28.

MARY MACDONALD BLDG. MANAGER RESIGNATION – Building Manager Jim Huset has submitted his 30-day resignation notice as of May 14, 2008.

Motion Gustafson, second Marolt to accept the May 14, 2008, resignation of Mary MacDonald Building Manager Jim Huset and to authorize the city office to advertise for a replacement. THE MOTION CARRIED

Notice of June 5 NHED meeting—NEXT AGENDA

Notice of Minnesota Power request for rate increase.

Mayor Johnson announced that he had been informed that Silver Bay would receive funds from the taconite production tax. The City will receive 1.5 cents per ton to be used for improvements at Mary MacDonald. It is estimated this would amount to \$600,000. In addition, the City has made pre-application for an IRR grant and may also be able to secure some funds from DEED for improvements to Mary MacDonald.

IRR BOARD MEETING – Motion Marolt, second Kelley to authorize Scott Johnson to attend the May 21, 2008, IRR Board Meeting in Chisholm with usual expenses paid. THE MOTION CARRIED

PUBLIC UTILITIES COMMISSION POWERS AND DUTIES – Carlene Perfetto, member of the City’s Public Utilities Commission, brought attention to a possible discrepancy between the State Statutes and the City Code in relation to the powers and duties of the Public Utilities Commission. Attorney Johnson will research this. NEXT AGENDA

FREDRICKSON PARCEL DEVELOPMENT & ASSESSMENT AGREEMENT – Mayor Johnson said the superintendents of the public works and public utilities department and the ex-superintendent of the public utilities department had all indicated everything was in order in regard to the Fredrickson parcel development. The City could therefore proceed to approve and sign the necessary documents.

Mayor Johnson left the meeting at 7:25 p.m. Acting Mayor Gustafson conducted the remainder of the meeting.

Motion Marolt, second Kelley to adopt **Resolution 2008-05-01, Resolution Declaring Adequacy of Petition and Ordering Public Infrastructure Improvements Project.**

Roll call vote: Member Dow, - aye
Member Marolt – aye

Member Kelley – aye
Acting Mayor Gustafson – aye

Absent for vote: Mayor Johnson

THE RESOLUTION WAS ADOPTED

Motion Kelley, second Marolt to adopt **Resolution 2008-05-02, Resolution Relating to Public Improvements Relating to Fredrickson’s Second Addition Project: Adopting special Assessments Therefor**

Roll call vote: Member Dow, - aye
Member Marolt – aye

Member Kelley – aye
Acting Mayor Gustafson – aye

Absent for vote: Mayor Johnson

THE RESOLUTION WAS ADOPTED

Motion Dow, second Kelley to adopt **Resolution 2008-05-03, Resolution Approving a Contract for Private Development by and between the City of Silver Bay, Minnesota, and John and Shelley Fredrickson**

Roll call vote: Member Dow, - aye
Member Marolt – aye

Member Kelley – aye
Acting Mayor Gustafson – aye

Absent for vote: Mayor Johnson

THE RESOLUTION WAS ADOPTED

Motion Kelley, second Marolt to adopt **Resolution 2008-05-04, Resolution Awarding the Sale of \$220,718.65 General Obligation Improvement Bond, Series 2008A Fixing its Form and Specifications; Directing its Execution and Delivery; and Providing for its Payment**

Roll call vote: Member Dow, - aye
Member Marolt – aye

Member Kelley – aye
Acting Mayor Gustafson – aye

Absent for vote: Mayor Johnson

THE RESOLUTION WAS ADOPTED

OLD BUSINESS

CONSIDER RESOLUTION TO AMEND FINES SCHEDULE, CITY CODE SECTION 130, SUBD. 3 – The amendment would provide for a fine for failure to display an address on houses and principal buildings within the City. There was discussion regarding the language in the Code, what constituted visibility from the street, and whether or not a fine would result if numbers were not displayed on the side of the building facing the street. Council asked Atty. Johnson to write an amendment to clarify that numbers should be legible and visible from the street. Action on the proposed fine for failure to display address numbers was delayed until this information was available to Council.

CONSIDER MEMBERSHIP IN SILVER BAY AREA TOURISM ASSOCIATION – Motion Marolt, second Dow to become a member of the Silver Bay Area Tourism Association at the \$120 level. THE MOTION CARRIED. Member Kelley abstained.

NEW BUSINESS

HELICOPTER RIDES DURING ATV PARADE – Mark LeBlanc was present regarding a blacktopped or grassy site which a helicopter company could use during the ATVAM event in June. The helicopter company would take pictures of the parade during the event and would also offer rides. Council suggested ATVAM contact the city administrator and/or the city's contact persons for the event—the police chief and public works superintendent. Fencing in of the area was discussed. Atty. Johnson will review the City's insurance policy in regard to this activity.

PART-TIME POLICE OFFICERS - Motion Kelley, second Dow to accept the recommendation of the personnel committee, Chief Billings and Asst. Chief Jonson to employ Chad Streiff and Christopher Stevens as part-time police officers, effective June 1, 2008. THE MOTION CARRIED

OLD BONEYARD SITE – Member Kelley suggested it was time to remove the old camper and other debris from the site of the old “boneyard” in the area of the water plant. Council asked that City Office staff research the status of the Phase II environmental assessment study for this site.

CLAIMS – Motion Dow, second Kelley to approve payment of \$35,243.51 unpaid claims and \$347,459.32 paid claims as presented. THE MOTION CARRIED

Motion Kelley, second Marolt to adjourn at 8:02 p.m. THE MOTION CARRIED

Minutes taken by Betty Oslund

Scott M. Johnson, Mayor

Cheryl Marolt, Deputy Clerk-Treasurer