

CITY COUNCIL

7:00 P.M.

November 5, 2007

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

Absent: One Seat Vacant

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

Also attending: Tessie Huset, Carol Williams, Robert Williams, Marie Frey, Ruth Koepke, George Pope, Bill Ylatupa, Jack Swanson

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 October 15 meeting, October 15 4:00 p.m. Joint Council/EDA meeting, minutes of October 22 3:00 p.m. Special Council meeting, and September Treasurer's Report) THE MOTION CARRIED

PETITIONS, REQUESTS, & COMMUNICATIONS

APPLICATIONS FOR COUNCIL OPENING - Mr. Smith reported 5 applications had been received for the Council opening created by Member James Kelly's resignation. Council set Thursday, November 15, 2:30 p.m. as the time to interview the applicants.

ATV–Bill Ylatupa was present to discuss plans for the June '08 ATV event in Silver Bay.

REQUEST FROM GARDEN CLUB FOR GRATIS USE OF RE-UNION HALL – Motion Marolt, second Gustafson to allow the Silver Bay Garden Club to use the Re-Union Hall free of charge on November 10 for a bake sale. THE MOTION CARRIED Council members noted the many positive comments they received regarding the flower trail and other gardens planted by the garden club in the community each year. Ruth Koepke said a lot of the money raised at the bake sale would go back into the community.

DILLY DALLY SHOP SPACE IN MACDONALD - Robert Williams was present regarding lease of Room 102 at MacDonald Center and presented Council with some letters of support from customers of the Dilly Dally Shop. There was lengthy discussion regarding this issue. There was a discussion regarding recommendations from the MacDonald Committee and a verbal agreement Mr. Williams had made in the city office regarding leasing Room 102 which, it seemed, was not communicated to the Council before they made the decision to lease Room 102 to another possible tenant. Mr. Williams asked that Council to review their decision since they had not had all the information available when they made a decision. After additional discussion and since no one had yet signed a lease for Room 102, Council suggested the city attorney, city administrator, council member Gustafson, and Mr. Williams meet to work out an agreement for lease of Room 102 to the Dilly Dally Shop. The meeting was set for November 7.

DEPARTMENTS

CITY ADMINISTRATOR – STREET SUPT. REQUEST TO SELL SURPLUS EQUIPMENT – Motion Kelley, second Marolt to declare the 1979 Bombadier SW48FA side walk plow and the 1984 Chevrolet C30 4X 4 truck as surplus property and authorize advertising them for sale with a minimum bid of \$1000 for the sidewalk plow and \$500 for the truck subject to the golf course having no need for the items. THE MOTION CARRIED

CITY ATTORNEY – Atty. Johnson reported Wilderness Foods had signed the lease for additional space at Mary MacDonald.

Mayor Johnson announced the Council would meet in CLOSED SESSION to discuss labor negotiations with public employees at the end of the Council meeting.

OLD BUSINESS

KEY AND LEASE POLICIES FOR MACDONALD CENTER – Member Kelley felt there should be a policy for the procedure to be used when a tenant rented space at MacDonald Center and also a definitive fee scale for rental of space at the Center. He suggested there might be a reduced amount at the beginning of a lease. He asked that the MacDonald Committee work out both a lease policy and procedure and a fee scale. He also suggested there should be a key policy. Mayor Johnson was not opposed to setting fee guidelines but felt there needed to be room for flexibility too. Member Marolt felt the city should have flexibility but guidelines should be in place at the beginning. Member Gustafson noted the Mac Committee was currently working on keys and security.

Mayor Johnson noted the County had passed a Resolution of Support for bonding for the MacDonald Building. The Resolution will be sent to State Representatives Senate Bonding Committee.

NEW BUSINESS

RESOLUTION ESTABLISHING TAXICAB LICENSE FEE – Members decided the license fee to operate a taxicab service should fall more in line with the current home occupation permit fee rather than the \$200 transient merchant fee. Council felt the levels of liability and property damage insurance (section 350.02 of the City Code) should be raised

Motion Gustafson, second Marolt to adopt **Resolution 2007-#31, Establishing a Taxicab License Fee of \$50.**

Roll call vote: Member Gustafson – aye Member P. Kelley – aye
 Member Marolt – aye Mayor Johnson – aye

One seat vacant

THE RESOLUTION WAS ADOPTED

LIQUOR COMMISSION—ARCHITECT’S OPINION OF PROBABLE COST – Mr. Smith reviewed the architect’s opinion of probable costs for all parts of the liquor store project plus estimates of architect and engineer costs (an estimated total of \$867,370). He noted

the liquor enterprise fund balance was currently around \$761,000. Council decided to set a joint meeting with the liquor commission and asked that information be available at that meeting for several levels of financing scenarios.

Motion Gustafson, second Marolt to set a Joint Meeting of the Council and the Liquor Commission for November 19 at 6:00 p.m. THE MOTION CARRIED

AUTHORIZE ADVERTISING FOR CITY ADMINISTRATOR - Motion Kelley, second Gustafson to authorize the personnel committee to advertise for the position of city administrator. THE MOTION CARRIED

ATTORNEY SEMINAR – Motion Kelley, second Gustafson to pay for registration, one night's lodging and mileage for the asst. city attorney to attend the Prosecuting Crimes on Minnesota's Roadways Seminar on December 6 in Bloomington, MN. THE MOTION CARRIED

CABLE FRANCHISE EXPIRATION – Cable Chair Marie Frey expressed her concern that the City's franchise agreement with MediaCom would expire at the end of 2007, but MediaCom had not returned the final agreement nor had they been in contact with Silver Bay's asst. city attorney.

The Meeting recessed at 8:30 p.m. The meeting was closed at 8:33 p.m. to discuss labor negotiations. The meeting reopened at 8:48 p.m.

Motion Kelley, second Gustafson to approve the labor agreement between the City and the International Union of Operating Engineers (Public Employees) Local 49, effective January 1, 2008, through December 12, 2010, as presented. THE MOTION CARRIED

CLAIMS – Motion Gustafson, second Kelley to approve payment of \$25528.76 unpaid claims and \$203,577.47 paid claims as presented. THE MOTION CARRIED

Motion Marolt, second Kelley to adjourn at 8:50 p.m. THE MOTION CARRIED

Minutes taken by Betty Oslund

Scott M. Johnson, Mayor

Tom Smith, City Administrator