

## CITY COUNCIL

7:00 P.M.

July 7, 2014

Present: Joanne Johnson  
 Steven Marolt  
 Dustin Goutermont  
 Carlene Perfetto

David Gustafson – excused

Lana Fralich, City Administrator  
 Pete Morris, City Attorney  
 Kitty Mayo, North Shore Journal  
 Ken Vogel, Lake County News Chronicle  
 Ken Hertz, Mark Hofschulte, Carol Hofschulte

Mayor Johnson called the meeting to order at 7:00 p.m.

**Agenda** – Letter of Resignation was added to new business, and Law Firm Update was added to attorney. Motion by Goutermont, second Perfetto to approve the agenda as amended. MOTION CARRIED.

**Consent Agenda** – Motion by Perfetto, second Goutermont to approve the minutes of the June 16, 2014 regular meeting, June 23, 2014 special meeting, June 23, 2014 closed and special meeting, June 27, 2014 continuation of the June 23, 2014 special and closed meeting, and the April 2014 Treasurer’s Report. MOTION CARRIED.

### **Petitions, Requests and Communications**

**Green Step Cities Recognition** – The Council reviewed a press release and certificate acknowledging the City’s completion of the second step of the Green Step City program.

**Senator Klobuchar’s visit to Victus Farms** – Mayor Johnson reported on a recent visit by Senator Klobuchar to the Victus Farms greenhouse, in the business park.

### **City Administrator**

**Notice of Election** – It was noted that the City election will take place on November 4, that a two-year term for Mayor and two four-year terms for Councilor will be voted upon, and that the filing period is from July 29 through August 12. Motion by Perfetto, second Goutermont to approve to post and publish the Notice of a City Election and Date for Filing Affidavits of Candidacy. MOTION CARRIED.

**Letter of Resignation** – Motion by Goutermont, second Perfetto to accept a letter of resignation from Jordan Marquardt from the Public Utilities Commission. MOTION CARRIED. The Council thanked Marquardt for his service to the City.

**Appointment to the Library Board** – The Library Board recommends approval of an application from Judy Smith. Motion by Goutermont, second Perfetto to appoint Judy Smith to the Library Board. MOTION CARRIED.

**Resolution 2014-24 – Approval of Grant Agreement with Duluth Superior Area Community Foundation:** The Parks and Recreation Board recommends approval of this grant agreement. Motion by Perfetto, second Goutermont to adopt Resolution 2014-24 authorizing to enter into a grant agreement with the Duluth Superior Area Community Foundation for a \$1,950 grant from the Silver Bay Charitable Fund to be used for the Prairie Fire Theater contract for the *Jack in the Beanstock* theater production, within the City Parks and Recreation Department.

Member Perfetto – aye  
 Member Goutermont – aye  
 Member Gustafson – absent

Member Marolt – aye  
 Mayor Johnson – aye

RESOLUTION 2014-24 WAS ADOPTED. 4 aye, 0 nay, 1 absent

**IRRRB Grant Agreement Time Extension** – The Council reviewed an amendment to extend the time period for grant funds that can be loaned to local businesses. Motion by Perfetto, second Goutermont to approve the amendment to the IRRRB community business loan program grant, extending the grant time period to June 30, 2017.

MOTION CARRIED.

**Budget Workshop Meetings** – Motion by Goutermont, second Perfetto to set budget workshop meetings for August 4 and August 18 at 5:00p.m., and September 2 and September 15 at 6:00p.m. MOTION CARRIED.

**Resolution 2014-25** – The Council reviewed information about the program to deal with storm water run-off, including around the perimeter of the City, and there was discussion about Lake County’s involvement in this project, and possible funding sources. Motion by Perfetto, second Goutermont to adopt Resolution 2014-25, approving application to any and all funding sources that pertain to the storm water perimeter ditching project.

Member Perfetto – aye  
 Member Goutermont – aye  
 Member Gustafson – absent

Member Marolt – aye  
 Mayor Johnson – aye

RESOLUTION 2014-25 WAS ADOPTED. 4 aye, 0 nay, 1 absent

### City Attorney

**Law Firm Update** – Morris reported that Johnson and Morris Law Firm has merged with Costly Law Firm of Two Harbors, to form the Costly and Morris Law Firm, and that he does not anticipate any changes to the legal services to the City.

OLD BUSINESS – No old business was presented.

### NEW BUSINESS

**Assignment of Lease** – The Council reviewed a copy of the lease for Silver Bowl, in the lower level of the ReUnion Hall, and a notarized assignment of the lease from Mark and Carol Hofschulte to Logan and Joleen Fischer. It was noted that there are no changes to

the lease, which expires on December 31, 2015. Motion by Perfetto, second Goutermont to approve the assignment of the lease for Silver Bowl to Logan and Joleen Fischer, effective July 8, 2014. MOTION CARRIED.

**Letter of Resignation** – The Council reviewed a letter of resignation by Councilor Marolt, effective July 31, 2014, as he will be moving outside of the City. The Council thanked Marolt for his many years of service to the City, and Marolt voiced his appreciation for the opportunity to serve. Motion by Perfetto, second Goutermont to accept the letter of resignation of Councilor Marolt, effective July 31, 2104. Johnson, Perfetto and Goutermont voted aye, Marolt abstained. MOTION CARRIED.

It was noted that Marolt's term is up for election on November 4. There was a consensus to leave this Council seat open for the remainder of 2014.

**Claims** – Motion by Goutermont, second Perfetto to approve payment of \$98,760.76 paid claims and \$88,839.07 in unpaid claims. MOTION CARRIED.

Motion by Perfetto, second Goutermont to adjourn at 7:29 p.m. MOTION CARRIED.

Minutes taken by Lance K Beachem

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Joanne Johnson, Mayor

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Lana Fralich, City Administrator