

CITY COUNCIL

7:00 P.M.

April 18, 2011

Present: Mayor Scott M. Johnson
 Joanne Johnson
 Carlene Perfetto
 Steven Marolt
 David Gustafson

Lana Fralich, City Administrator
 Pete Morris, City Attorney
 Scott Blood, Fire Relief Association
 Matt Miller, Lake County Assessor's Office
 Matt Suoja, Lake County News Chronicle

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

Agenda – Exchange Day was added to Administrator. Motion by Marolt, second Gustafson to approve the agenda as amended. MOTION CARRIED.

Consent Agenda – Motion by J Johnson, second Perfetto to approve the minutes of the April 4, 2011 Council meeting and the January 2011 Treasurer's Report. It was noted that the January Treasurer's report reflects the post retirement benefit change; which is a one time adjustment. MOTION CARRIED.

Lake County Assessor's Office – Miller reported on the County's valuation of property within the City. In general, residential buildings saw a 10% decrease, land saw a 5% decrease and commercial properties remained unchanged. The open meeting for citizens who want to discuss changes with the Assessor's office will be held on 4/21/11 between 9:00a.m. -11:00a.m. at City Hall and then from 1:00p.m. - 4:30p.m at the Lake County offices.

Petitions, Requests and Communications – No Communications were presented.

City Administrator

Resolution 2011-15 Duluth Superior Area Community Foundation – The Parks and Recreation Board recommends approval of this grant agreement. Motion by Perfetto, second Gustafson to adopt Resolution 2011-15, authorizing the City of Silver Bay to enter into a grant agreement with the Duluth Superior Area Community Foundation for a \$2,000.00 grant from the Silver Bay Charitable Fund to be used for the Prairie Fire Theatre production within the City Parks and Recreation Department and authorize the City Administrator to sign the grant agreement.

Member Marolt – aye Member Johnson – aye Member Perfetto – aye

Member Gustafson – aye Mayor Johnson – aye

RESOLUTION 2011-15 was ADOPTED. 5 aye, 0 nay

Fire Relief Association – The Council reviewed a memo requesting approval to raise the annual pension multiplier from \$1,000 to \$1,100. Blood gave information about funding sources and retirement benefits. Motion by J Johnson, second Perfetto to approve the increase of the annual pension multiplier from \$1,000 to \$1,100. Gustafson, Perfetto and J Johnson voted aye, Mayor Johnson and Marolt abstained. MOTION CARRIED.

Resolution 2011-16 Authorization to execute LHB agreement – The Council noted that the proposal from LHB was accepted at the March 21 meeting. The attorney has reviewed the agreement and the EDA recommends its approval. Motion by Marolt, second Gustafson to adopt Resolution 2011-16, authorizing to execute an agreement for engineering and construction management services with LHB Inc. for the biofuel/food greenhouse No. 1 project located in the Eco-Industrial Park.

Member Marolt – aye Member Johnson – aye Member Perfetto – aye

Member Gustafson – aye Mayor Johnson – aye

RESOLUTION 2011-16 was ADOPTED. 5 aye, 0 nay

MIAMA Spring Workshop – The Parks and Recreation Board recommends approval for Don Thomson to attend this workshop. Motion Perfetto, second J Johnson to approve for Don Thomson to attend the MIAMA Spring Workshop on May 4th in Vadnais Heights for \$70 plus one night lodging of \$97 plus tax with meals and mileage reimbursement. MOTION CARRIED. It was noted to try and use city vehicles instead of paying mileage when a city vehicle is available.

Resolution 2011-17 DEED Grant Application – The Council reviewed a grant application to DEED for funds that would support the capital expense of the greenhouse No. 1 project. It was noted that matching funds for this grant will come from the IRR and legislative funds already received. The EDA recommends approval of this application. Motion by Perfetto, second Gustafson to adopt Resolution 2011-17 authorizing to submit application to the Minnesota Dept. of Employment and Economic development's business development infrastructure program.

Member Marolt – aye Member Johnson – aye Member Perfetto – aye

Member Gustafson – aye Mayor Johnson – aye

RESOLUTION 2011-17 was ADOPTED. 5 aye, 0 nay

Memorandum of Understanding – The Council reviewed a proposed memorandum of understanding between the City and ISD #381 for use of facilities for recreational events. The Parks and Recreation Board recommends approval of this memo. There was discussion about whether the City or the school district would do the custodial work in the pool area. This issue was tabled.

MMBA Conference – The Liquor Control Commission recommends approval for Tom Byrnes to attend this annual conference. Motion by Perfetto, second J Johnson to approve for Tom Byrnes to attend the MMBA Conference in Alexandria on May 22-24 for \$395 with meals and mileage reimbursement. MOTION CARRIED.

Airport Entitlement Transfer to Duluth Airport – The Airport Commission recommends transferring \$150,000 of 2008 FAA Entitlement funds to the Duluth International Airport. There was discussion about whether or not these funds could be used to offset the amount

that would be required by the FAA should the City decide to close the airport. This issue was tabled.

Termination of Hangar Lease – The Airport Commission recommends termination of a hangar lease agreement, due to nonpayment of rent. Motion by Perfetto, second Marolt to terminate the hangar lease agreement with Tom Porter. MOTION CARRIED.

Hangar Storage Rental Extensions – The Airport Commission recommends to extend hangar storage leases on a month to month basis under the same terms and conditions. It was noted that one hangar will remain open for transient flights. Motion by Perfetto, second Gustafson to extend hangar storage leases on a month to month basis under the same terms and conditions. MOTION CARRIED.

Exchange Day – Motion by Perfetto, second J Johnson to hold the City Exchange Day on May 21, 2011. MOTION CARRIED.

City Attorney – No further business was presented by the City Attorney.

OLD BUSINESS – No other old business was presented.

NEW BUSINESS – No other new business was presented.

Claims – Motion by Perfetto, second Marolt to approve payment of \$87,123.29 in paid claims and \$60,452.29 in unpaid claims. MOTION CARRIED.

Motion by Marolt, second J Johnson to adjourn at 7:37p.m. MOTION CARRIED.

Minutes taken by Lance K Beachem

Scott M. Johnson, Mayor

Lana Fralich, City Administrator