

CITY COUNCIL

7:00 P.M.

April 20, 2009

Present: Scott M. Johnson
David Gustafson
Pat Kelley
Steven Marolt
Carlene Perfetto

Lana Fralich, City Administrator
Gerald Morris, Asst. City Attorney
Robert Lillis
Jason Roswold

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

Agenda – A letter concerning the Bay Days celebration was added to the agenda. Motion by Perfetto, second Gustafson to approve the agenda as amended. MOTION CARRIED.

Consent Agenda – Motion by Kelley, second Perfetto to approve the minutes of the April 6 regular meeting and the April 9 special meeting. MOTION CARRIED.

PETITIONS, REQUESTS and COMMUNICATIONS

AEOA Proclamation for National Volunteer Week – April 19-25 is the National Volunteer Week. The Council acknowledged the work that is done by the volunteers within the City Government and in the community. No further action was taken.

Bay Days – The Bay Days Celebration Committee is requesting \$3,000 for this celebration on July 25-26. It was noted that this amount is in the City budget, and that the Committee does have a budget that is available for review. Motion by Kelley, second Marolt for the City to donate \$3,000 to the Bay Days Celebration Committee. MOTION CARRIED.

Mayor Johnson presented a letter from Lake County Emergency Management about a tornado drill on April 23. There was discussion about an emergency siren, and the costs that would be involved for this project.

DEPARTMENTS**City Administrator**

Home Use Occupation Permit – Robert Lillis –A Home Use Occupation Permit was presented for Mr. Lillis to begin a PC and Laptop Sales and Repair Business at 30 Davis Drive. The Planning and Zoning Commission has completed the appropriate public hearings and is recommending approval of this permit. It was noted to make sure additional debris from the business be disposed of properly and not accumulated at the home site. Motion by Gustafson, second Kelley to grant a Home Use Occupation permit to Robert Lillis at 30 Davis Drive. MOTION CARRIED.

Home Use Occupation Permit – Jason Roswold A Home Use Occupation Permit was presented for Mr. Roswold to begin a Catalog/Internet Sales and Fundraising business at 21 Evans Circle. The Planning and Zoning Commission has completed the appropriate public hearings and is recommending approval of this permit. Motion by Perfetto, second Marolt to grant a Home Use Occupation permit to Jason Roswold at 21 Evans Circle. MOTION CARRIED.

2009 Budget Amendment – 2009 budget amendments were presented to the Council. Most of these amendments are due to the cut in Local Government Aid from the State, the Mary MacDonald rehabilitation project and paybacks from the Water/Sewer funds to the Public Works Department. Johnson applauded the City Administrators office and the Department heads for making the needed changes to keep a balanced budget. Motion by Gustafson, second Marolt to adopt the 2009 Budget Amendments as presented. MOTION CARRIED.

Non-Sufficient Fund Check Charge – The City currently charges \$15 for NSF checks, and the Municipal Liquor Store charges \$10, and this does not cover the costs in fees, time and wages to collect these funds. Motion by Perfetto, second Marolt to increase the fee for all Non-Sufficient Fund Checks to \$30 effective May 1, 2009. MOTION CARRIED.

ATV Parade – Temporary On-sale Liquor License – The Liquor Commission has recommended issuing a Temporary On-sale Liquor License to the Municipal Liquor Store for the ATV parade on June 12-13 at the parking lot of the Municipal Liquor Store and at the City Business Park. Motion by Perfetto, second Kelley to approve the application to issue a Temporary On-sale Liquor License to the Municipal Liquor Store on June 12-13 at the parking lot of the Municipal Liquor Store and at the City Business Park. MOTION CARRIED.

Bay Days – Temporary On-sale Liquor License – The Liquor Commission has recommended issuing a Temporary On-sale Liquor License to the Municipal Liquor Store for the Bay Days celebration on July 24-25 at the parking lot of the Municipal Liquor Store. Motion by Kelley, second Marolt to approve the application to issue a Temporary On-sale Liquor License to the Municipal Liquor Store on July 24-25 at the parking lot of the Municipal Liquor Store. MOTION CARRIED.

Resolution 2009-24 – Police PERA for Steve Rohloff – Rohloff has been hired as a part-time Police officer, and a resolution is required for him to be eligible for the Minnesota Police and Fire PERA program.

Resolution 2009-24 – Resolution declaring position of a Police Officer.

Motion by Gustafson, second Perfetto to adopt Resolution 2009-24.

Roll call vote:

Member Gustafson – aye

Member Perfetto – aye

Member Kelley – aye

Member Marolt – aye

Mayor Johnson – aye

THE RESOLUTION WAS ADOPTED 5 aye, 0 nay.

MN Municipal Beverage Association Annual Conference – The Liquor Commission has recommended that the Liquor store manager, Tom Byrnes, attend the MN MBA conference in Alexandria, Minnesota on May 17-19. It was noted that this item is in the Liquor store budget. Motion by Marolt, second Gustafson to approve that Byrnes attend the MN MBA Conference in Alexandria on May 17-19. MOTION CARRIED.

It was noted that Byrnes' wife would also be attending, at Byrnes expense. City policy currently prohibits using a City vehicle, even as a passenger, by anyone other than a City employee on official City business. Motion by Kelly, second Gustafson for the Council to make a one time exception to the policy and allow Byrnes and his wife to use the City car to attend the MN MBA Conference in Alexandria on May 17-19. There was further discussion about insurance issues regarding City vehicles, about making exceptions to the City policy regarding vehicle use and about the fact that Byrnes could use his own vehicle and the City would reimburse him for mileage. Gustafson voted aye, Perfetto, Kelley, Marolt and Johnson voted nay. MOTION FAILED.

Resolution 2009-25 – Mary MacDonald Rehabilitation Change Order –

There was discussion about the alternates to the bid which included replacing of the windows, about repairing the roof at a cost of \$7,820, and about the funds available for this project.

Resolution 2009-25 – A Resolution authorizing to amend the contract to Johnson Wilson Constructors, Inc. for the rehabilitation project of the Mary MacDonald Business Center to expand the scope of the project with the new contract amount resulting in \$631,120.00.

Motion by Kelley, second Marolt to adopt Resolution 2009-25.

Roll call vote:

Member Gustafson – aye

Member Perfetto – aye

Member Kelley – aye

Member Marolt – aye

Mayor Johnson – aye

THE RESOLUTION WAS ADOPTED 5 aye, 0 nay.

Arrival / Departure Building – It was stated that a final design was needed in order to get a close-out report and collect the final funds for the design grant for the airport arrival /departure building. There was discussion about the needed

repairs to the septic system and roof of the current building. The Council decided to revisit the issue of a new arrival / departure building. There was discussion about a steel roof and maintenance free siding on the building, and about the funds that might be available from the Friends of North Shore Aviation and what funds the City might have to contribute to this project. There was also discussion about the airport being transferred to a regional commission that could levy its own funds. Marolt would like to see that there be no cost to the City. Motion by Kelley, second Gustafson to authorize for the City to advertise for bids for the Airport Arrival / Departure building, using the original plans with modifications for a steel roof and siding that had stone work on only a portion of the front of the building and vinyl siding on the remainder of the building. Pefetto and Marolt voted nay. Gustafson, Kelley and Johnson voted aye. MOTION CARRIED.

Resolution 2009-26 – Eco-Industrial Park Grant Application Submissions –

The City is still waiting to hear about final approval of a MN Pollution Control Agency grant for this project. In the purpose of not delaying the progression of this project, there are additional applications to funding sources that can be submitted. The Economic Development Authority has recommended that the Council pass a resolution to pursue these grants as long as there is no expense to the City.

Resolution 2009-26 – A Resolution approving the submission to various funding agencies for the Eco-Industrial Park of Silver Bay.

Motion by Perfetto, second Marolt to adopt Resolution 2009-26.

Roll call vote:

Member Gustafson – aye

Member Perfetto – aye

Member Kelley – aye

Member Marolt – aye

Mayor Johnson – aye

THE RESOLUTION WAS ADOPTED 5 aye, 0 nay.

June Talus Cleaning Contract Amendment – It was stated that there was a need to clean the City animal control facility. June Talus is already under contract with the City to clean other City buildings, and would be willing to add this to her contract. This amendment would include an increase of \$100 a month and \$200 for the first month, because there is extra cleaning needed to return the facility to a clean state. There was discussion about animal control within the City and how best to care for animals that are taken into custody. Mr. Kelley would like City Administrator to continue pursuing other options for a new boarding area. Motion by Perfetto, second Kelley to approve the contract amendment with June Talus to clean the City animal control facility for \$200 in May 2009 and \$100 for each month thereafter. MOTION CARRIED.

Project Request for 09 Surface Transportation – An e-mail from the Lake County Highway department was presented requesting that the City submit a high priority application and a letter of support to the office of Congressman Oberstar for work to be done on Highway 61 between Beaver Bay and Silver

Bay. Motion by Perfetto, second Marolt to submit a high priority application and a letter of support for work to be done on Highway 61 between Beaver Bay and Silver Bay and authorize the Mayor to sign. MOTION CARRIED.

City Attorney

Resolution 2009-27 – Amending City Code Section 920.03 – Driveway Approaches – The Planning and Zoning Commission has recommended that the Council amend the City Code to allow for only one driveway approach on lots in the R-1 Zoning District.

Resolution 2009-27 – A Resolution amending City Code Section 920.03

Motion by Kelley, second Perfetto to adopt Resolution 2009-27.

Roll call vote:

Member Gustafson – aye

Member Perfetto – aye

Member Kelley – aye

Member Marolt – aye

Mayor Johnson – aye

THE RESOLUTION WAS ADOPTED 5 aye, 0 nay.

OLD BUSINESS

Ice Storm Update – An e-mail from the Lake County Emergency Management Department was presented that stated that Lake County has been added to the FEMA Major Disaster Declaration. Under this plan, FEMA will reimburse 75%, and the State will reimburse 15% of eligible costs, leaving the local share of 10%. Johnson stated that it has been impressive how the County, the City employees and the residents have responded to this emergency. The City Administrator thanked the citizens for their efforts in cleaning up the small debris from the boulevards.

NEW BUSINESS

Claims – Motion by Perfetto, second Marolt to approve payment of \$68,189.60 paid claims and \$106,326.57 unpaid claims as presented. MOTION CARRIED.

Motion by Perfetto, second Kelley to adjourn at 8:17p.m. MOTION CARRIED.

Minutes taken by Lance K Beachem

Scott M. Johnson, Mayor

Lana Fralich, City Administrator