

**CITY COUNCIL**

7:00 P.M.

August 17, 2009

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

David Gustafson - excused

Lana Fralich, City Administrator  
Gerald Morris, City Attorney

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

**Agenda** – A request by the Bay Area Historical Society was added to Petitions, Requests and Communications. Resolution 2009-43 was added to City Administrator. The signing of the settlement with North Shore Stuff Inc. was added to City Attorney. Mayor Johnson announced that the Council would go into a closed session near the end of the regular meeting, to discuss a personnel issue. Motion by Marolt, second Perfetto to approve the agenda as amended. MOTION CARRIED.

**Consent agenda** – Motion by Kelley, second Marolt to approve the minutes of the August 3 Budget Workshop meeting, and the August 3 Council meeting. MOTION CARRIED.

**Petitions, Requests and Communications**

**Arrowhead Regional Development Commission 2010 Tax Levy** – The Council received information about the ARDC 2010 Tax Levy of \$26,705, which is a 7.3% increase. There will be a Public Hearing on this levy on August 25 at 2:00p.m. at the ARDC office in Duluth.

**Airport CIP Planning Meeting** – The MNDOT and the FAA will hold a Planning Meeting in Duluth on September 23.

**Bay Area Historical Society** – The Historical Society sent information on their budget, and a request for \$2,000 from the City for 2009. It was noted that this item is in the budget. Motion by Perfetto, second Kelley to approve payment of \$2,000 to the Bay Area Historical Society. MOTION CARRIED.

**City Administrator**

**Surplus Property – Parks and Recreation** – The Park/Recreation Board has recommended that the Council declare the concrete picnic tables at the Bayside

Park as obsolete surplus property. There was discussion on whether these tables could be used at the proposed City Campground. Motion by Kelley, second Marolt to declare the concrete picnic tables at the Bayside Park as obsolete surplus property. MOTION CARRIED.

**Resolution 2009-42 Liquor Store Sunday Openings** – It was noted that this issue was discussed at the July 6, 2009 meeting. Motion by Kelley, second Marolt to adopt Resolution 2009-42 authorizing the City of Silver Bay Municipal Liquor Store extend the hours of operation to include Sundays beginning September 13, 2009 with the hours of operation to be from 12:00pm until 8:00pm  
Roll call vote:

Member Kelley – aye

Member Perfetto – aye

Member Marolt – aye

Mayor Johnson – aye

Member Gustafson – absent

THE RESOLUTION WAS ADOPTED. 4 aye, 1 absent

**Wastewater Operator Training and Licensure Exam – Jerry LaVigne** – The MPCA Wastewater Operators training will be held September 23-25 in St. Cloud. The training is \$125, and the exam is \$32, with an additional cost for two nights lodging. It was noted that Mr. LaVigne's license has been expired for a number of years. There was discussion on whether the City should pay for training for an expired license. There was further discussion about job descriptions, policies on license requirements, and continuing education requirements. Motion by Perfetto, second Marolt for the City to send Jerry LaVigne to the Wastewater Operator Training in St. Cloud on September 23-25, and to take his Licensure Exam. Perfetto, Marolt and Johnson voted aye, Kelley voted nay. MOTION CARRIED. The Council asked that the Attorney to report back at a future meeting on the issue of the requirements of licensures.

**Marina Manager Training – Jeremy Kasapidis** – The Park/Recreation Board has recommended that the Council approve to send Jeremy Kasapidis to the Marina Manager Training in Madison, WI on October 5-7. The cost for the training is \$825, plus airfare, hotel, and meals/mileage reimbursement. It was noted that funding for this training is included in the DNR Marina Grant as a reimbursable expense up to \$1,750. Motion by Perfetto, second Kelley to approve for the City to send Jeremy Kasapidis to the Marina Manager Training at the University of Wisconsin, Madison on October 5-7. MOTION CARRIED.

**Resolution 2009-43 Amend the Contract with Johnson Wilson for the Mary MacDonald Rehabilitation Project.** There was discussion about the change orders to the Mary MacDonald Rehabilitation Project, and about the timetable for completion of the Project. The current change orders bring the contract total to \$629,377. Motion by Kelley, second Marolt to adopt Resolution 2009-43 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.

Roll call vote:

Member Kelley – aye

Member Perfetto – aye

Member Marolt – aye

Mayor Johnson – aye

Member Gustafson – absent

THE RESOLUTION WAS ADOPTED. 4 aye, 1 absent

### City Attorney

**Signing of the settlement with North Shore Stuff Inc.** – Morris reported that the owner of North Shore Stuff Inc has signed the Settlement that was accepted by the Council at the August 3, 2009 meeting. Motion by Perfetto, second Marolt to authorize the Mayor to sign the settlement between the City and North Shore Stuff Inc. MOTION CARRIED.

### OLD BUSINESS

**Ice Storm** – The City has received \$122,506.67 from FEMA and the State, and \$50,000 from the IRR for the clean up from the ice storm. A final payment of approximately \$4,000 will be coming from FEMA. Mayor Johnson will be sending a letter to FEMA regarding the good work of the FEMA representatives that handled this crisis. The Mayor and Council also thanked B.J. Kohlstedt, Lake County Emergency Manager for the excellent work done on this issue.

**Mary MacDonald Rehabilitation Project** – This issue was discussed under Resolution 2009-43.

### NEW BUSINESS

**Claims** – A payment of \$1092.26 to Fuel Master was added to the unpaid claims. Motion by Perfetto, second Kelley to approve payment of \$69,777.27 paid claims and \$148,286.64 and \$1,092.26 in unpaid claims. MOTION CARRIED.

At 7:40 the Council then went into closed session to discuss a personnel issue. No action was taken by the Council.

The Council resumed the regular session at 7:46p.m.

Motion by Perfetto, second Marolt to adjourn at 7:47 p.m. MOTION CARRIED.

Minutes taken by Lance K Beachem

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Scott M. Johnson, Mayor

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Lana Fralich, City Administrator