

CITY COUNCIL

7:00 P.M.

August 2, 2010

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

Lana Fralich, City Administrator
Pete Morris, City Attorney
Matt Suoja, Lake County News Chronicle
Tom Porter, Airport Commission Chair

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

Agenda – Plane Crash Functional Exercise was added to Communications, MMUA Delegate Appointment and Budget Workshop Meetings were added to Administrator, MPCA Permit and SWPPP for Airport was added to Old Business. Motion by Gustafson, second Marolt to approve the agenda as amended. MOTION CARRIED.

Consent Agenda – Motion by Perfetto, second J Johnson to approve the minutes of the July 19, 2010 regular Council meeting, and the July 26, 2010 special Council meeting. MOTION CARRIED.

PETITIONS, REQUESTS and COMMUNICATIONS

Gitchi Gami Bike Ride – The Council reviewed a letter concerning the Gitchi Gami Bike Ride, which will come through the City on August 21.

ARDC 2011 Tax Levy – The Council reviewed information about the Lake County portion of the levy, and noted that a public hearing about this levy would be held on August 17 in Duluth.

Plane Crash Functional Exercise – The Council reviewed information about Lake County Emergency Services conducting a Plane Crash Functional Exercise in the City Hall parking lot on August 23.

CITY ADMINISTRATOR

Variance Request, 50 Hays Circle – The Council reviewed an application for variance, by Rick Dahn of 50 Hays Circle, to continue to allow the storm water drains in the residence to drain into the sanitary sewer system. The Council also reviewed the minutes of the Public Hearing on this matter, the minutes of the Public Utilities Commission meetings of July 14 and July 22, an exemption determination, and specifically the six findings of the Commission, as stated in the exemption

determination. The Public Utilities Commission recommends granting this variance request. Motion by Gustafson, second J Johnson to approve the variance request for 50 Hays Circle via Resolution 2010-40. MOTION UNANIMOUSLY CARRIED.

Resolution 2010-36, IRR Grant submission – The Council reviewed an application to Iron Range Resources public works grant program in the amount of \$250,000 for the Banks Boulevard water line replacement project. Motion by Perfetto, second Marolt to adopt Resolution 2010-36, authorizing to submit application to the Iron Range resources Public Works Grant Program for the Banks Boulevard high pressure transmission line and water replacement project.

Member Marolt – aye

Member Johnson – aye

Member Gustafson – aye

Member Perfetto – aye

Mayor Johnson – aye

RESOLUTION 2010-36 was ADOPTED. 5 aye, 0 nay

Resolution 2010-38, Army Corp of Engineer 569 Program Submission – The Council reviewed an application to the Army Corp of Engineers Environmental Infrastructure Assistance program in the amount of \$385,375 for the Banks Boulevard water line replacement project. Motion by Marolt, second J Johnson to adopt Resolution 2010-38, authorizing to submit application to the United States Army Corp of Engineers Environmental Infrastructure Assistance Program: Section 569, Northeastern Minnesota for the Banks Boulevard high pressure transmission line and water replacement project.

Member Marolt – aye

Member Johnson – aye

Member Gustafson – aye

Member Perfetto – aye

Mayor Johnson – aye

RESOLUTION 2010-38 was ADOPTED. 5 aye, 0 nay

Resolution 2010-39, DNR Grant Agreement, Fire Department – The Council reviewed an application to MN DNR in the amount of \$3,000 for the purchase of wildland protective equipment. There was discussion on what type and how much equipment would be purchased, storage of the equipment in the Fire Hall, the agreement with the DNR for wildland fire protection, and if this fire protection would effect fire protection within the City. Motion by J Johnson, second Gustafson to adopt Resolution 2010-39, authorizing to execute Minnesota Department of Natural Resources grant agreement for fire protection equipment.

Member Marolt – aye

Member Johnson – aye

Member Gustafson – aye

Member Perfetto – aye

Mayor Johnson – aye

RESOLUTION 2010-39 was ADOPTED. 5 aye, 0 nay

Mary MacDonald gym light replacement – The Council reviewed three estimates for light fixture replacement. The estimated rebate and annual energy savings were

reviewed. The Mary MacDonald Committee recommends replacing the lights at a cost not to exceed \$2,600. Use of the gym by the building tenants, rental fees for the gym and reimbursement by tenants for damage to the lights was discussed. The types of fixtures were also discussed. Motion by J Johnson, second Perfetto to approve the purchase, from Stone Ridge Electric, of light fixtures for the gym in the Mary MacDonald building at a cost of \$2,570 plus tax. MOTION CARRIED.

MMUA Delegate Appointment – There was discussion on the need to update the delegate information to the Minnesota Municipal Utilities Association, and the persons who are qualified to represent the City in this matter. Motion by Perfetto, second Gustafson to approve the City Administrator, Public Utilities Superintendent, Deputy Clerk, and the Mayor for the delegate appointments to the Minnesota Municipal Utilities Association. MOTION CARRIED.

Budget Workshop Meetings – A need for additional budget workshop meetings were discussed. A potential scheduling conflict with the Planning and Zoning Commission meeting on August 11 was discussed. Motion by Perfetto, second Marolt to hold City Budget Workshops on Monday, August 9 at 5:30p.m., and Wednesday, August 11 at 3:00p.m., if needed. MOTION CARRIED.

CITY ATTORNEY

City Code Section 550 – The Council reviewed a memo from the attorney that was addressed at the June 21 meeting regarding storm water retention ponds, MN Pollution Control requirements and the City Code not allowing for the long grasses and plants that these ponds require. This issue was tabled to the next meeting.

OLD BUSINESS

Combining of Airport and Public Works – The Airport Commission is recommending keeping the Commission separate from the Public Works Commission. It was noted that there is currently one vacant position on the Airport Commission, and that a City resident has expressed interest in filling this position, but has not filed an application, to date. Concern for additional meetings placed upon the Public Works Superintendent to attend Airport meetings was also discussed. The Council took no action on this issue.

MPCA Permit for Airport SWPPP – The information, discussion and action taken at the July 26 meeting concerning this subject was discussed. Fralich reported that since July 26, the FAA has verbally agreed to waive the \$25,000 minimum grant request for this project. It was noted that the City's 5% matching funds of \$375, plus a permit fee of \$400 would be the expense to the City to develop this Plan. There was discussion about unfunded mandates and required compliance with State and Federal regulations. Motion by Gustafson, second Perfetto to adopt Resolution 2010-41 authorizing professional services agreement with Reynolds Smith and Hills Inc., work order number 2010-02 RS&H project number 214-6875-010 and to authorize the submission of the

grant to the FAA to conduct a Minnesota Pollution Control Agency Storm Water Prevention Plan for the Wayne Johnson-City of Silver Bay Municipal Airport.

Member Marolt – aye

Member Johnson – aye

Member Gustafson – aye

Member Perfetto – aye

Mayor Johnson – aye

RESOLUTION 2010-41 was ADOPTED. 5 aye, 0 nay

NEW BUSINESS

Airport Fly-In – The Airport Commission recommends approval for a fly-in at the Airport. It was noted that this event would be covered by the current City insurance policy, and that all expenses would come from Friends of North Shore Aviation. Motion by Marolt, second Gustafson to support the request to have a fly-in at the Municipal Airport. Marolt, Gustafson and Mayor Johnson voted aye, Perfetto and J Johnson voted nay. MOTION CARRIED.

Municipal Airport Potential Closing – There was discussion about the 2010 and 2011 budgets as they relate to the Airport, and the Airport SWPPP not being in the budget because of the short notice of compliance from the MPCA. The decreased usage of the airport, and specifically the decreased usage by City residents, was also discussed. FAA regulations regarding closing an airport, and the payback of FAA grant money if and airport closes, were reviewed. The need for the City to balance the budget by prioritizing the services that are used by the greatest number of City residents was also discussed. The Council took no action on this issue; however, allowing the Mayor and City Administrator to continue researching this topic.

Claims – Motion by Gustafson, second J Johnson to approve payment of \$94,587.74 paid claims and \$169,737.45 in unpaid claims. MOTION CARRIED.

Motion by Perfetto, second Marolt to adjourn at 8:13p.m. MOTION CARRIED.

Minutes taken by Lance K Beachem

Scott M. Johnson, Mayor

Lana Fralich, City Administrator