

CITY COUNCIL

7:00 P.M.

February 1, 2010

Present: David Gustafson
Carlene Perfetto
Joanne Johnson
Steven Marolt

Scott M. Johnson -excused

Lana Fralich, City Administrator
Pete Morris, City Attorney
Matt Suoja, Lake County News Chronicle

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

Agenda –Resolution 2010-12 and Fire Investigation Conference were added to City Administrator; Bay Days was added to Old Business. ARMER Meeting Update was added to Communications. Motion by Perfetto, second J. Johnson to approve the agenda as amended. MOTION CARRIED.

Consent Agenda – Motion by J. Johnson, second Gustafson to approve the minutes of the January 19, 2010 Council meeting. MOTION CARRIED.

Petitions, Requests and Communications

RAMS Meeting – Range Association of Municipalities and Schools will hold their annual meeting on February 19 in Hibbing. Gustafson will plan to attend this meeting.

Lake County / Two Harbors Gathering – A letter about a meeting of elected officials from Lake County on February 20 at the Grand Superior Lodge was reviewed. The Administrator and a majority of the Council expressed interest in attending. A notice will be posted that a quorum of the Council will attend this meeting. The importance of being involved with other government entities within the County was discussed.

Council Member on Banks Boulevard Project – The Administrator gave a summary of this project, which includes street, sidewalk, water and sewer infrastructure improvements, as well as housing redevelopment, new construction, and homeownership assistance. The project will work in conjunction with the new assisted living center and the Davis/Banks project from Lake County. A committee is being formed, comprising of the Public Utilities Director, Public Works Director, a representative from the EDA, a County Commissioner, the County Highway Dept., County HRA, AEOA and City Council representation. Marolt and Gustafson volunteered to be on this committee.

ARMER Meeting Update – Perfetto gave a report of the January 19 meeting for ARMER, a Countywide radio response system, the updating to a narrow-band system and the costs involved for this project. Perfetto will continue to update the Council as more information is available.

City Administrator

Pay Equity Compliance 2010 – The Council reviewed the Pay Equity Implementation and Compliance Report. It was noted that the report meets compliance requirements. Motion by J. Johnson, second Gustafson to approve the Pay Equity Compliance Report and submit it to the State. MOTION CARRIED.

Spectrum Health Temporary Easement – The Council reviewed a letter from Spectrum Health requesting a temporary easement to the Bell Circle location for soil testing and survey work, stating that the City will be given insurance certificates and be listed as an additional insured; the City will receive all reports and findings from the survey and soil testing; and no costs will be incurred by the City. The Council also reviewed a Temporary Use Easement agreement, prepared by the City Attorney. The EDA has recommended approval. Motion by Perfetto, second Gustafson to approve the Temporary Use Easement agreement with Spectrum Community Health. MOTION CARRIED.

Resolution 2010- 09 – There was discussion about the Airport Crack Sealing project for the runway, and about the administrative costs included in the project budget. Motion by Gustafson, second J. Johnson to adopt Resolution 2010-09 authorizing professional services agreement with Reynolds, Smith and Hills Inc. work order number 2010-01, RS&H project number 214-6875-009 and to authorize the advertisement for bids and the submission of the grant to the FAA for the runway crack sealing project at the Wayne Johnson – City of Silver Bay municipal airport.

Member Marolt – aye
Member Gustafson – aye
Mayor Johnson – absent

Member Johnson – aye
Member Perfetto – nay

RESOLUTION 2010-07 was ADOPTED.

3 aye, 1 nay, 1 absent

Resolution 2010-10 – The 2009 budget was discussed. It was noted that the largest changes to the budget were due to an increase in LGA, Taconite Production Tax and Ice Storm Reimbursement monies. The total revenue for the budget is \$5,625,885 with a total expenditure of \$6,150,734. It was noted that the main reason for the expenditures exceeding the revenue was due to grant monies for the Mary MacDonald Rehabilitation Project received in 2008 and expended in 2009. Motion by Perfetto, second Gustafson to adopt Resolution 2010-10 amendment for fiscal year 2009 budget retroactive to December 31, 2009.

Member Marolt – aye
 Member Gustafson – aye
 Mayor Johnson – absent

Member Johnson – aye
 Member Perfetto – aye

RESOLUTION 2010-07 was ADOPTED.

4 aye, 0 nay, 1 absent

Resolution 2010-11 – Fund balances for the year-end were discussed. Motion by Gustafson, second J. Johnson to adopt Resolution 2010-11 authorizing annual fund transfers from the General Fund to the Library, Arena, Park & Recreation, Cemetery, Airport and Community Building Funds respectively.

Member Marolt – aye
 Member Gustafson – aye
 Mayor Johnson – absent

Member Johnson – aye
 Member Perfetto – aye

RESOLUTION 2010-07 was ADOPTED.

4 aye, 0 nay, 1 absent

Day at the Capitol – The City has been invited to participate at the Day at the Capitol on March 2-4. The Council reviewed a brochure insert to promote the Eco-Industrial Park. The City's portion of the promotional costs for the brochure and a booth are estimated at \$600. The Mayor, Administrator and Bruce Carman plan to attend this event, with expenses for Carman to come from existing grant funds. There is an evening dinner with our state representatives on March 2nd, a legislative breakfast at \$25 per person on March 4th, plus two-night stay at \$148/night per person plus taxes/fees, and normal travel expenses. Motion by Perfetto, second J. Johnson to approve the Mayor, Administrator and Carman to attend the Day at the Capitol event on March 2-4, approval of promotional costs for the event, actual expense reimbursement for the March 2nd dinner with the legislators, and normal travel expenses.

MOTION CARRIED.

Library Strategic Plan – The Council reviewed the Plan, and thanked everyone who participated in developing the Plan. Possible funding for a future Library expansion and Community Facilities project was discussed. Motion by Perfetto, second J. Johnson to accept the Library Strategic Plan. MOTION CARRIED.

Resolution 2010-12 – Discussion of this item was also included in the discussion of Resolution 2010-10. Motion by J. Johnson, second Gustafson to adopt Resolution 2010-12 authorizing fund transfer of \$4,579.50 from the Public Works reserve special projects department to the General Fund.

Member Marolt – aye
 Member Gustafson – aye
 Mayor Johnson – absent

Member Johnson – aye
 Member Perfetto – aye

RESOLUTION 2010-07 was ADOPTED.

4 aye, 0 nay, 1 absent

Fire Investigation Conference – Fire Chief John Fredrickson, Mike Rowlee and Brad Althaus are members of the Lake County fire investigation team. This conference is part of their ongoing education and is in the fire department budget. The conference will be held March 24-26, in St. Cloud, registration is \$225 per person; hotel is \$71.95 per room per night + taxes and fees per person, and there would be the normal travel expenses. Motion by Perfetto, second J. Johnson to approve for Fredrickson, Rowlee and Althaus to attend the Fire Investigation Conference on March 24-26. MOTION CARRIED.

City Attorney – No other business was presented by the attorney.

OLD BUSINESS

Bay Days – Creating a Rocky Taconite costume and doing maintenance on the City float was discussed. It was noted that these items are not currently in the 2010 City Budget.

NEW BUSINESS

Claims – Motion by Perfetto, second J. Johnson to approve payment of \$73,486.80 paid claims, and \$85,613.30 in unpaid claims. MOTION CARRIED.

Motion by J. Johnson, second Gustafson to adjourn at 7:53p.m. MOTION CARRIED.

Minutes taken by Lance K Beachem

Scott M. Johnson, Mayor

Lana Fralich, City Administrator