

## CITY COUNCIL

7:00 P.M.

February 2, 2009

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

Lana Fralich, City Administrator  
 Gerald Morris, Asst. City Attorney

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

**CONSENT AGENDA** – Motion Kelley, second Perfetto to approve the consent agenda item 2 (minutes of January 20, 2009 City Council Meeting and Treasurer’s Report for November 2008) MOTION CARRIED

**PETITIONS, REQUESTS & COMMUNICATIONS –**

- A. **Wm. Kelley School request for donation** – for a project to replace the football bleachers. As this project does not have a budget, and there is no specific dollar amount requested, this item was forwarded to the Parks and Rec. Dept. and tabled by the council.
- B. **St. Urho’s Day Parade** – a letter was sent, requesting the city’s participation in the parade. Gustafson expressed interest in this project; no further action was taken.

**DEPARTMENTS****A. CITY ADMINISTRATOR**

1. **Resolution 2009-8** a resolution authorizing annual fund transfers from the general Fund to the Library fund, Arena fund, Parks and Recreation fund, and the Community Building fund. This is a transfer of \$220,000 from the General fund to the following funds as follows: \$25,000 to the library fund, \$70,000 to the Arena fund, \$108,000 to the Parks and Recreation fund, and \$17,000 to the Community Building fund. Discussion followed; Kelley asked if the community building fund fell under the Park and Rec. Dept., but it was explained that the community building fund was for the Reunion Hall, and this clarified the question at hand. Motion Perfetto, second Gustafson to adopt Resolution 2009-8

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

2. **2008 Final Budget Amendment** Motion to approve the 2008 final budget amendment as presented and authorize the transfer of \$35,000 into the 101-25315 unreserved fund balance, retroactive to December 31, 2008, designated for the fire truck. Motion Perfetto, second Marolt, MOTION CARRIED
3. **2009 Financial Update** – Fralich reported that there is a projected decrease in Local Government Aid from the State of Minnesota of \$97,156 for 2009, and \$202,878 for 2010. Taconite Aid is not expected to decrease in 2009. The Administrative team will review their budgets and make recommendations to the council at a future date.
4. **Meeting Attendance** – Fralich requested approval to attend meetings in Duluth regarding the grant application for Eco-Industrial Park on February 5<sup>th</sup> and 19<sup>th</sup>, and a meeting on February 5<sup>th</sup> in Duluth with Congressman Oberstar's staff. There was discussion on what approval needed to be given for the Administrator to attend meetings for the City. There was a consensus that meetings involving an overnight stay should be approved by the council and all other meetings should have the prior approval of the Mayor, and correspondence to the council.
5. **Resolution 2009-9** – Authorizing Golf Course Equipment Lease. For a lease-to-own agreement on a golf course mower, to be paid as \$6,943.67 in 2009, and \$6,693.67 annually for 2010-2013. Discussion followed. Kelley had concerns about the annual payments. Perfetto told of the value that the golf course is to the community. Gustafson and Perfetto requested that the bids for this project be included in the final resolution packet. Motion Perfetto, second Marolt to adopt Resolution 2009-9

Roll call vote: Member Gustafson – aye  
 Member Kelley – aye  
 Mayor Johnson – aye

Member Perfetto – aye  
 Member Marolt – aye

THE RESOLUTION WAS ADOPTED 5 aye, 0 nay

6. **Resolution 2009-10** – designation of Official Depositories – The Lake Bank: 4M Fund: Institutional CD's Inc. / ICD Securities Inc. and authorization of signatories Motion Kelley, second Gustafson to adopt Resolution 2009-10

Roll call vote: Member Gustafson – aye  
 Member Kelley – aye  
 Mayor Johnson – aye

Member Perfetto – aye  
 Member Marolt – aye

THE RESOLUTION WAS ADOPTED 5 aye, 0 nay

**B. CITY ATTORNEY** – No report at this time.

### **OLD BUSINESS**

Kelley inquired about the Water Department being charged back for work that the Street Department does. No further information was available at this time. This item will be placed on the agenda, in old business, for the next meeting.

### **NEW BUSINESS**

No new business was presented at this time.

CLAIMS – Motion Kelley, second Marolt to approve payment of \$99,333.78 paid claims and \$73,763.00 unpaid claims as presented. MOTION CARRIED

Motion Gustafson, second Perfetto to adjourn at 7:25 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