

CITY COUNCIL

7:00 P.M.

July 1, 2013

Present: Joanne Johnson
Dustin Goutermont
David Gustafson
Carlene Perfetto
Steven Marolt

Lana Fralich, City Administrator
Pete Morris, City Attorney
Kitty Mayo, Northshore Journal
Tammy Francois, Lake County News Chronicle

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

Agenda – Motion by Perfetto, second Goutermont to approve the agenda as presented. MOTION CARRIED.

Consent Agenda – Motion by Marolt, second Perfetto to approve the minutes of the June 17, 2013 Council meeting. MOTION CARRIED.

Petitions, Requests and Communications

July 4th Fireworks – It was noted that former Chief Fredrickson held the permit for fireworks display and that two other fire department members have taken training, but due to complications will not complete their training until after July 4, and that the Bay Days celebration will be held on July 12-14. Motion by Perfetto, second Gustafson to move the date of the City fireworks display from July 4, 2013 to July 12, 2013. MOTION CARRIED.

Thank You Letter, Wade and Crystal LeBlanc – The Council reviewed a letter thanking the Marina staff and Police Department for their help with a recent search effort at the Marina.

Proclamation, Water Appreciation Day – The Council reviewed information about the Twin Ports Bridge Festival and its theme of the importance of water in our lives and community. Motion by Marolt, second Goutermont to proclaim July 6, 2013 as Water Appreciation Day in the City of Silver Bay. MOTION CARRIED.

City Administrator

Liquor Store Lottery Machine – The Council reviewed an application for a lottery machine, and noted that a \$100 nonrefundable deposit is required with the application. It was noted that upon applying, the Liquor Store will be put on a waiting list to receive a machine. The Liquor Control Commission recommends submitting this application. There was discussion about the policies, procedures and administrative work that will need to be in place to implement this project. It was noted that there is currently no other lottery sales within the City. Motion by Marolt, second Goutermont to submit the application and pay the \$100 fee to receive a Minnesota Lottery machine. MOTION CARRIED.

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

OLD BUSINESS

Resolution 2013-25a – Amend City Code Chapter 5, Section 540 – The Council reviewed a revised City Code 540. It was noted that in the original document, passed on June 17, the word “not” was excluded from the recreational fires section. Motion by Perfetto, second Marolt to adopt Resolution 2013-25a, amending City Code Chapter 5, Section 540.

Member Perfetto – aye

Member Marolt – aye

Member Goutermont – aye

Member Gustafson – aye

Mayor Johnson – aye

RESOLUTION 2013-25a WAS ADOPTED. 5 aye, 0 nay,

Resolution 2013-26 – Real Property Purchase Agreement with Northshore Mining – It was noted that some of the land used by the City at the City shop is currently owned by Northshore Mining, and that the City and Northshore Mining have come to an agreement for the City to purchase this land. It was further noted that because this land is currently on three different parcels, the exact amount for the title examination cannot be determined at this time. There was discussion about surveying this property and past surveys in the general area. Motion by Perfetto, second Goutermont to adopt Resolution 2013-26, authorizing to execute a purchase agreement between Northshore Mining Company, seller, and the City of Silver Bay, for the acquisition of real property adjacent to the City Street Department Shop.

Member Perfetto – aye

Member Marolt – aye

Member Goutermont – aye

Member Gustafson – aye

Mayor Johnson – aye

RESOLUTION 2013-26 WAS ADOPTED. 5 aye, 0 nay,

City Code Section 1300, Electrical Franchise – The Council reviewed a draft copy of the franchise agreement with Minnesota Power. There was discussion about franchise fees. It was noted that the City currently has a provision for fees in the electric and gas franchises but has taken no action and collected no fees, and that the City collects a 3% fee in the Cable TV franchises which is used for communication equipment. There was discussion about funding options for Capital Improvements. Motion by Gustafson, second Goutermont to authorize the Administrator and Attorney to draft provisions within the electrical and gas franchise agreements for setting up franchise fees. Gustafson, Goutermont, Perfetto and Johnson voted aye, Marolt voted nay. MOTION CARRIED.

Resolution 2013-28, 2014 Capital Bonding Request – The Council reviewed information about the 2014 Capital Bonding requests, for needs within the public utilities department, the Mary MacDonald Center roof and siding project, and the campground project. Motion by Marolt, second Gustafson to adopt Resolution 2013-28, authorizing to submit Capital Budget Requests to the Minnesota Management and Budget.

Member Perfetto – aye

Member Marolt – aye

Member Goutermont – aye

Member Gustafson – aye

Mayor Johnson – aye

RESOLUTION 2013-28 WAS ADOPTED. 5 aye, 0 nay,

NEW BUSINESS

City Code Section 1310, Gas Franchise – The Council reviewed a draft copy of the franchise agreement with Minnesota Energy. It was noted that franchise fees were already addressed in the Electrical Franchise section. There was discussion about Section 1310.02, subd. 1, that the City proposes a 10 year agreement, with an automatic 10 year renewal, and Section 1310.04, subd. 4, that the City requests a 2 year warranty to restore public property, and Minnesota Energy requests a 1 year warranty. The Council members will review this issue, which was tabled.

Claims – Motion by Perfetto, second Marolt to approve payment of \$109,040.93 in paid claims and \$76,845.74 in unpaid claims. MOTION CARRIED.

Motion by Marolt, second Goutermont to adjourn at 7:54p.m. MOTION CARRIED.

Minutes taken by Lance K Beachem

Joanne Johnson, Mayor

Lana Fralich, City Administrator