

CITY COUNCIL

7:00 P.M.

March 2, 2009

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

Lana Fralich, City Administrator
Gerald Morris, Asst. City Attorney
Al Goodman, Lake Co. Highway Dept.
Darren Christopher, RS&H Engineering

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

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

Consent Agenda – Motion Kelley, second Gustafson to approve the consent agenda items; minutes of the February 17 council meeting and the February 26 special council meeting.
MOTION CARRIED.

Public Presentations

Al Goodman, the Lake County Highway Department Engineer, presented the County's plan to resurface Forest Highway 11 through the City to Highway 61. This will be part of the County's five-year plan. The Minnesota Dept. of Transportation requires City approval of the plan in the form of a resolution. Goodman also talked about the plans for reconstructing Highway 61 between Beaver Bay and Silver Bay, and asked for the Council's support of this project. In addition, he discussed the Davis-Banks-Horn loop and that the county might put this project on a shelf plan to be used in the future. Gustafson had questions about traffic delays during the Highway 11 project. Goodman said that the specifics of this project had not been worked out, but that traffic delays would be held to a minimum. Kelley asked about the new blacktop being tapered to the curb and gutters. Goodman said that this would be part of the project.

Resolution 2009-16 – Minnesota Department of Transportation State Aid for local transportation resolution approving County project within Municipal Corporate Limits.
Motion by Perfetto, second Marolt to adopt Resolution 2009-16.

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

PETITIONS, REQUESTS & COMMUNICATIONS –

- A. **Clean Energy Resource Teams** – A meeting will be held at the Beaver Bay Community Center on March 4, from 11:30 to 2:30 to give information about Silver Bay Eco-Industrial Park and the Two Harbors High School Solar Power project.
- B. **North Shore Area Partners** – A letter was sent requesting a donation from the City. Johnson said that the council had agreed upon not sending donations unless it was a previously budgeted item.
- C. **Lake County Board of Appeal and Equalization** – The Board of Appeals Open Book Meeting for the City of Silver Bay will be held on Thursday, April 23, from 8:00a.m. until 4:30p.m. at the County Courthouse in Two Harbors. Johnson had

a question as to when the Board of Appeal was taken from the City Council and moved to the County, and whether the Council would be interested in moving it back to the City Council. Fralich stated that if the Council wanted to be the Board of Appeal for the City, training would be needed, and is available. Perfetto and Marolt also wondered if the Council should become the Board of Appeal for the City. This item was tabled for further information.

- D. Johnson presented a letter from the Two Harbors Chamber of Commerce about a dinner and auction on March 22.

DEPARTMENTS

A. CITY ADMINISTRATOR

1. **Resolution 2009-13 – Law Enforcement Mutual Aid Agreement.** – Fralich checked with the League of MN Cities Insurance about liability issues and was told that this was a common agreement among law enforcement agencies and there would be no additional cost as it is not considered a joint powers agreement. The city would be liable as the requesting agency, but not for worker's compensation.

Motion by Gustafson, second Marolt to adopt Resolution 2009-13

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. **Airport A/D Building** – Kelley had concerns about the size of the building, the water and sewer system, and the wood siding on the building. Kelley also had concerns that there was no documentation from the Friends of North Shore Aviation about their 5% matching funds. Morris stated that these funds could be put in escrow with the City, and that he received the information about this only in the last few days, so no documents have been written yet. Perfetto expressed concerns that the grant for this project would require the City to keep the airport open for 20 years, or the City would have to pay the grant amount back. Perfetto also had concerns about the City bearing all of the costs of the airport, when a wide range of people use it that live in and outside of the City. Darrin Christopher, with R.S.H., addressed the issues of the building, the siding, the budget, and the water/sewer system. Marolt had questions about the planning grant that the City had already received; specifically, if this planning grant required the City to build the building, or return the planning grant funds. Christopher said that he would check the wording on the planning grant, and it's timetable, but he believed that the grant did require the City to build the building or return the planning grant funds. Johnson stated that the Friends of North Shore Aviation have done the work to come up with these plans, and are willing to put up the 5% matching funds provided the council move forward with this plan and that is what he suggested the council do. Gustafson stated that the Council needs to work with the Friends of North Shore Aviation and stated that this project was needed not only for the new building, but also for the new water/sewer system that is needed at the airport. Christopher also stated that the demolition of the old building is an issue that could be eligible for a grant, at a future date. Johnson stated that all of the Councilors had made good points, that the Council needs to work together with the Friends of North Shore Aviation on this project, and tabled this item to the next meeting.
3. **Public Meeting Policy** – Kelley had concerns about the meetings being set at the same time each month, due to the differing schedules that each committee member has. Morris said that Open Meeting Laws anticipate regularly scheduled meetings on the

same day and time each month, so that if any meeting needed to be changed, it would need to be considered a special meeting.

Motion by Marolt, second Perfetto to adopt the City of Silver Bay Public Meeting Policy. MOTION CARRIED.

4. **Training for John Fredrickson** – Fralich reported that there are two training sessions that the Fire Chief, John Fredrickson, needs to attend. An Incident Command System training on March 9-13, and a Fire Investigation Conference on March 25-27.
Motion by Perfetto, second Gustafson to pay to send Fire Chief John Fredrickson to the Incident Command System training, and a Fire Investigation Conference. MOTION CARRIED

5. **Summer and part-time seasonal employees** – Fralich presented a list of Summer and part-time seasonal positions that need to be filled, and stated that there are two less positions than last year.
Motion by Kelley, second Perfetto to advertise for the summer and part-time seasonal positions. MOTION CARRIED

6. **Establishment of a 2010 Census Committee** – Fralich reported that the City had received a letter from the Minnesota Department of Administration asking communities to establish census committees, to answer questions within the community about the census. Fralich also stated that the publication expenses for such a committee was not in the City budget. Kelley stated that much of the census information is now on-line, and available to the public. Perfetto stated that in the past there has been reluctance by many individuals because of concerns as to how census information will be used. Johnson stated the mission of such a committee seemed unclear. Gustafson suggested getting more information on this subject and costs, and tabling it to the next meeting.

7. **Liquor Store surplus shelving and barstools** – The Liquor Store has surplus shelving and barstools that they would like declared a surplus so that they can be sold.
Motion by Perfetto, second Kelley to have surplus shelving and barstools placed on the surplus list. MOTION CARRIED.

8. **Fire Control Administrator Contract Renewal** with John Fredrickson – Fralich stated that there were no changes to this contract, other than the dates.
Motion by Gustafson, second Kelley to renew the Fire Control Administrator Contract with John Fredrickson, from April 1, 2009 until March 31, 2010.
MOTION CARRIED.

9. **Part-Time Police Officer** – The personnel committee recommends that the City hire Mr. Steve Rohloff as a part-time Police Officer, pending successful completion of the POST requirements.
Motion by Marolt, second Perfetto to hire Mr. Steve Rohloff as a part-time Police Officer, pending successful completion of the POST requirements, at \$17.64 per hour, with a guarantee of 4 hours per week and not more than 14 hours per week. MOTION CARRIED.

B. CITY ATTORNEY – No report at this time.

OLD BUSINESS

A. **Mary MacDonald Rehabilitation Project** – The following bids were received by the Bid Tabulation Committee at their February 24 meeting.

Bidder 1 – TL Construction Base bid - \$439,000 Alternate 1 - \$72,000
 Alternate 2 - \$14,165 Alternate 3 - \$73,700 Alternate 4 - \$9,050
 Alternate 5 – \$18,650

Bidder 2 – Johnson Wilson Constructors Base bid - \$413,000 Alternate 1 - \$82,000
 Alternate 2 - \$16,000 Alternate 3 - \$84,000 Alternate 4 - \$11,000
 Alternate 5 – \$20,000

Johnson stated that with these bids, the City could hopefully do most or all of the alternatives. Fralich stated that the City is also looking for funding to replace the roof and boilers.

NEW BUSINESS

No new business

CLAIMS – Motion Gustafson, second Marolt to approve payment of \$81,062.90 paid claims and \$67,796.58 unpaid claims as presented. MOTION CARRIED

Mayor Johnson congratulated the Boys and Girls Hockey teams for their great seasons.

Motion Perfetto, second Gustafson to adjourn at 8:05 p.m. MOTION CARRIED

Minutes taken by Lance K Beachem

 Scott M. Johnson, Mayor

 Lana Fralich, City Administrator

CITY COUNCIL

7:00 P.M.

March 16, 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.

Agenda – Two items were added to the agenda; a letter of appreciation for the street department under petitions, requests, & communications, and a letter from Lake County Emergency Management under the City Administrator’s report.

Motion by Marolt, second Perfetto to approve the agenda as amended.

MOTION CARRIED.

Consent Agenda – Motion by Perfetto, second Kelley to approve the consent agenda items; minutes of the March 2 council meeting and the March 11 special council meeting with the Airport Commission. MOTION CARRIED.

Public Presentations – John Pozniak and Phil Bertholdi from Primerica presented a plan to conduct personal financial needs analysis with City employees.

Motion by Gustafson, second Kelley for the City to host a meeting with Primerica, for City employees, to conduct financial needs analysis. MOTION CARRIED.

PETITIONS, REQUESTS, & COMMUNICATIONS

Invitation to the Iron Range Economic Alliance (IREA) Meeting – This meeting will be held on March 25 in Duluth. The City Administrator is planning to attend, and Council members are invited, as well. Motion by Perfetto, second Marolt for the City Administrator and any Council members who wish to, to attend the Iron Range Economic Alliance Meeting on March 25. MOTION CARRIED.

Invitation to ARDC’s “REDI” Public Wind Forum – This forum will be held on April 14 in Grand Marias. The City Administrator has been asked to make a presentation about the proposed Eco-Industrial Park. Motion by Marolt, second Kelley for the City Administrator and any Council members who wish to, to attend the ARDC “REDI” Public Wind Forum on April 14. MOTION CARRIED.

It was mentioned that at a recent hockey tournament, there were many compliments about the arena, and the City, by out of town visitors.

DEPARTMENTS

City Administrator**Resolution 2009-17 Authorizing Award of Contract for Mary MacDonald Project –**

There was discussion about the project. Nancy Schultz from SEH Engineers was present to answer questions, and give a general timeline for the project.

Motion Kelley, second Marolt to adopt Resolution 2009-17 Authorizing Award of Contract for Mary MacDonald Project.

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

Airport A/D Building – Approval is needed by the Council to advertise for bid solicitation on this project. Morris stated that an escrow agreement has been finalized with the Friends of North Shore Aviation for the 5% matching funds on the grant, that they have signed the agreement and the City has received a check for the amount. Motion by Gustafson, second Perfetto to advertise for bid solicitation for the Airport Arrival/Departure building. Gustafson and Johnson voted aye. Kelley, Marolt and Perfetto voted nay. MOTION FAILED because some people are stupid and short-sighted enough to turn down free money.

Rath Grantwriting Services for Fire Department – Grantwriting services are needed to prepare a grant for a pumper fire truck. There was discussion on the need for this truck, and that the grantwriting fees would come out of the Fire Department budget. Motion by Perfetto, second Kelley to enter into an agreement with Rath Grantwriting Services, to prepare a grant for a pumper fire truck. MOTION CARRIED.

Lake County Emergency Management – This agency would like to use the City Hall as an incident command center, in case of an emergency. They would install the needed phone and internet lines, at no cost to the City. Motion by Perfetto, second Marolt to allow Lake County Emergency Management to use City Hall as an incident command center, and install the needed equipment. MOTION CARRIED.

City Attorney – No other business was presented.

OLD BUSINESS

Local Board of Appeals – There was discussion about whether the Council should act as the local board of appeals. It was discussed that this is a complicated process that changes each year, and a lot of ongoing training would be needed. No action was taken at this time.

MN Department of Administration Census Committees – A request has been sent, asking communities to establish census committees, to answer questions within the community about the census. There is no cost to the City for this committee. There

was discussion that it would be difficult to find volunteers for this committee. No action was taken at this time.

NEW BUSINESS

CLAIMS – Motion Perfetto, second Gustafson to approve payment of \$87,883.85 paid claims and \$75,841.03 unpaid claims as presented. MOTION CARRIED

Motion Marolt, second Kelley to adjourn at 7:33 p.m. MOTION CARRIED

Minutes taken by Lance K Beachem

Scott M. Johnson, Mayor

Lana Fralich, City Administrator