

CITY COUNCIL

7:00 P.M.

October 19, 2009

Present: Pat Kelley
 Steven Marolt
 Carlene Perfetto

Scott M. Johnson - excused
 David Gustafson - excused

Lana Fralich, City Administrator
 Gerald Morris, City Attorney
 Mike Guzzo, Parks and Recreation Director
 Robert Swindlehurst

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

Agenda – A letter from the family of Taiten Gnerer-Bautch was added to Communications. Motion by Perfetto, second Marolt to approve the agenda as amended. MOTION CARRIED.

Consent agenda – Motion by Marolt, second Perfetto to approve the minutes of the October 5, 2009 Council meeting, and the August 2009 Financial Report. MOTION CARRIED.

Petitions, Requests and Communications

Lake County Community Connect – A letter was reviewed stating that Lake County Community Connect is holding an informational event at the Reunion Hall on October 22nd from 1-6pm regarding services that are available in the County, and to provide applications for these services.

Letter from the family of Tainten Gnerer-Bautch – A letter was reviewed stating that there will be a benefit event at the Reunion Hall on November 5 for the family of Tainten, who died earlier this year. This letter also requested that the fee to rent the Hall be waived. The Council referred this matter to the Liquor Control Commission.

City Administrator

Resolution 2009-56 Swindlehurst Variance Request – Robert and Margaret Swindlehurst, of 27 Nelson Drive are requesting a variance to build a garage on their adjoining lot at 25 Nelson Drive. The Planning and Zoning Commission has recommended approval of this variance. The variance application, a sketch of the property, a letter from the Swindlehursts and a draft copy of the October 14 Planning and Zoning Public Hearing and Regular Meeting were reviewed by the Council. There was discussion about past requests for variances to erect garages. There was discussion that this lot poses a hardship and this garage will not change the character of the neighborhood. Motion by Perfetto, second Marolt to adopt Resolution 2009–56

authorizing a variance to Robert G. Swindlehurst and Margaret A. Swindlehurst as trustees of the Robert G. Swindlehurst and Margaret A. Swindlehurst Trust under agreement dated September 5, 2005, 25 and 27 Nelson Drive, Silver Bay, Minnesota

Member Marolt – aye

Member Perfetto – aye

Member Kelley – aye

Member Gustafson – absent

Mayor Johnson – absent

THE RESOLUTION WAS ADOPTED. 3 aye, 0 nay, 2 absent

Resolution 2009-52 MNDOT State Aid Agreement, 2010-2011 –

The Council reviewed the grant agreement, in which the Minnesota DOT will reimburse the City 2/3 of the maintenance costs at the airport, up to \$13,757 annually. There was discussion about the zoning authority for the airport, because it is outside of the City limits. The attorney's opinion was that the airport would fall under the Lake County land use ordinance. Motion by Marolt, second Perfetto to adopt Resolution 2009-52 authorizing to execute Minnesota Department of Transportation grant agreement for airport maintenance and operation.

Member Marolt – aye

Member Perfetto – aye

Member Kelley – aye

Member Gustafson – absent

Mayor Johnson – absent

THE RESOLUTION WAS ADOPTED. 3 aye, 0 nay, 2 absent

Resolution 2009-53 Midwest Coca-Cola Bottling Co. Beverage Agreement –

Guzzo has researched getting a beverage agreement for all City beverage vending machines with both Midwest Coca-Cola and Bernick's Pepsi, and felt that this was the best agreement. The attorney has reviewed the agreement, and the Park/Recreation Board recommends its approval. It was noted that this agreement does not include the Municipal Golf Course. Motion by Perfetto, second Marolt to adopt Resolution 2009-53, authorizing to execute beverage agreement with Midwest Coca-Cola Bottling Co, a Delaware Corporation, effective November 1, 2009.

Member Marolt – aye

Member Perfetto – aye

Member Kelley – aye

Member Gustafson – absent

Mayor Johnson – absent

THE RESOLUTION WAS ADOPTED. 3 aye, 0 nay, 2 absent

Airport Maintenance Manager Resignation – A letter was reviewed from Warren Swarmer announcing his resignation as Airport Maintenance Manager as of October 31, 2009. The Public Works Department will assume all maintenance of the airport. The Council thanked Swarmer for his work at the airport. Motion by Perfetto, second Marolt to accept the resignation of Warren Swarmer as Airport Maintenance Manager as of October 31. MOTION CARRIED.

Park and Recreation 5-year Plan 2010-2014 – This 5-year plan has been adopted by the Park and Recreation Board. Guzzo highlighted the contents of the Plan, including the action plan for 2010-2014. Motion by Perfetto, second Marolt to adopt the Park and Recreation 5-year Plan for 2010-2014. MOTION CARRIED.

Seasonal Employment Resignations – A list of seasonal employees that have completed their employment with the City in 2009 was presented to the Council. Dallas Dubbin, Dustin LaVigne, and Greg Hare were added to the list. Motion by Marolt, second Perfetto to accept the list of resignations of the seasonal employees presented to the Council. MOTION CARRIED.

Lake County Lease Agreement – The agreement between the City and Lake County to lease space at the Mary MacDonald Center was reviewed. There was discussion that all leases have been reviewed in order to bring consistency in the rent paid, per square foot, and that the lease prices charged by the City are comparable with other commercial properties in the area. It was noted that the agreement with the County does not include a security deposit as they provide financial assistance to the Mary MacDonald Building to help with projects when needed. The Mary MacDonald Building Committee has recommended approval of this lease. Motion by Perfetto, second Marolt to adopt the agreement between the City and Lake County to lease space at the Mary MacDonald Center, through March 31, 2011. MOTION CARRIED.

There was discussion about the budget for the Mary MacDonald Center. Fralich reported that as of the end of 2009, the Center should have a positive fund balance, including the repayment of past deficits.

Bay Area Vineyard Lease Agreement – The agreement between the City and the Bay Area Vineyard Church, to lease space at the Mary MacDonald Center was reviewed. There was discussion about a request from the church to have their security deposit reduced from one month's rent, down to \$1,000. The Mary MacDonald Building Committee has recommended accepting the lease, with a provision for the Church to pay the security deposit over a period of not more than 12 months, for an amount not to exceed one months rent. It was noted that other commercial properties in the area charge at least one month rent as a security deposit. There was discussion that the Council wants to work with the church and their unique needs, but that there is a need for the City to be consistent in the charging of a security deposit. Motion by Perfetto, second Marolt to adopt the agreement between the City and the Bay Area Vineyard Church to lease space at the Mary MacDonald Center, through March 31, 2011. MOTION CARRIED.

Mary MacDonald Center Fire Alarm System – As part of the Rehabilitation Project, the City is required by the Fire Marshall to install a fire alarm system and do monthly monitoring of the alarm. The Council reviewed two quotes for this project. The Mary MacDonald Committee has recommended the proposal from Great Lakes Alarm to install the new alarm system in the amount of \$2,386 plus the monthly fee of \$19.95 for monitoring, and a \$186 fee for the annual inspection. Motion by Marolt, second Perfetto that upon the City Attorney's review, to enter into contract with Great Lakes Alarm for a Fire Alarm System at the Mary MacDonald Center. MOTION CARRIED.

Resolution 2009-54 authorizing submission of grant application to the Homeland Security – FEMA for fire assistance – A grant application to install lock boxes at all

commercial properties within the City, for use by the Fire, Police and Rescue Departments, was discussed. It was noted that this grant would require a 5% match, which the Fire Department has allowed for in the 2010 budget. Motion by Perfetto, second Marolt to adopt Resolution 2009-54, authorizing the City of Silver Bay to make application to the Department of Homeland Security Federal Emergency Management Agency's Assistance to Firefighters Grant Program for the purchase and installation of lock boxes on commercial properties within Silver Bay.

Member Marolt – aye

Member Perfetto – aye

Member Kelley – aye

Member Gustafson – absent

Mayor Johnson – absent

THE RESOLUTION WAS ADOPTED. 3 aye, 0 nay, 2 absent

Resolution 2009-55 Resignation of Council member Kelly and declare vacancy – Council member Kelley submitted a letter of resignation, as of October 31, because he and his family will be moving out of the City. Council members Marolt and Perfetto thanked Kelley for his years of public service. Because Kelley abstained from voting, a majority of the Council could not vote on this Resolution, so it was tabled to the November 2 meeting.

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

OLD BUSINESS – No other old business was presented.

NEW BUSINESS –

Budget Workshop Meeting – Fralich reported that the Lake County Commissioners have reviewed a request by the City for additional funding and have approved an additional \$13,000 for the arena, and \$12,000 for the library. Motion by Marolt, second Perfetto to hold a City Budget Workshop on Monday, November 16 at 6:00p.m.

MOTION CARRIED.

Marina winter, in water, boat storage – Guzzo presented information about winter, in water, boat storage at the Marina. There are currently two boat owners interested in this service on a trial basis. There was discussion about issues of liability and insurance by the City and the boat owners, as well as the winter dry storage currently available at the Marina. The City Attorney was asked to review the proposed agreements, and the issue was tabled to the November 2 meeting.

Claims – Motion by Perfetto, second Marolt to approve payment of \$86,464.26 paid claims and \$185,934.85 in unpaid claims. MOTION CARRIED.

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

Minutes taken by Lance K Beachem

Scott M. Johnson, Mayor
signed in the absence of acting mayor Kelley

Lana Fralich, City Administrator