

CITY COUNCIL

7:00 P.M.

September 7, 2010

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

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

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

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

Consent Agenda – Motion by J Johnson, second Gustafson to approve the minutes of the August 16, 2010 regular Council meeting, the August 16, 2010 budget workshop meeting, the August 30 special Council meeting, and the July 2010 Treasurer's Report.
MOTION CARRIED.

PETITIONS, REQUESTS and COMMUNICATIONS

LMC Regional Meeting – The Council reviewed information about the League of Minnesota Cities regional meeting on September 29 in Mountain Iron, and Perfetto expressed interest in attending. Registration costs were \$40/per person. Motion by J Johnson, second Gustafson to approve for Perfetto to attend the League of Minnesota Cities regional meeting on September 29 in Mountain Iron, with usual expenses paid.
MOTION CARRIED.

Lake County Elected Officials Meeting – There will be a meeting of Lake County Elected Officials at 6:00p.m. on September 8 in Two Harbors. It has been posted that a quorum of the Council will be attending this meeting.

CITY ADMINISTRATOR

Resolution 2010-43, Amend Code 1200.06 – The resolution passed at the August 16 meeting errantly listed the addition of Subd. 7, when it should have stated the addition of Subd. 8. Motion by Gustafson, second J Johnson to adopt Resolution 2010-43, authorizing to amend City Code Section 1200.06, adding Subd. 8.

Member Marolt – aye

Member Johnson – aye

Member Gustafson – aye

Member Perfetto – aye

Mayor Johnson – aye

RESOLUTION 2010-43 was ADOPTED. 5 aye, 0 nay

Resolution 2010-47 2010 Proposed Budget Expenditures – There was discussion about the proposed expenditures for 2011, including the increase from the capital improvement plan and the proposed addition of two permanent part-time positions. Motion by Perfetto, second Gustafson to adopt Resolution 2010-47 Proposed Fiscal Year 2011 Budget

Member Johnson – aye

Member Perfetto – aye

Member Marolt – aye

Member Gustafson – aye

Mayor Johnson – aye

THE RESOLUTION 2010-47 WAS ADOPTED. 5 aye, 0 nay

Resolution 2010-48 Proposed 2010 Levy – There was discussion on the proposed levy. The proposed 2010 levy is an increase of 4.9% over 2010. The estimated net tax capacity has increased by 7.6% for the City according to the Assessor's office. Motion by Perfetto, second Marolt to adopt Resolution 2010-48 Proposed 2010 collectible 2011 Tax Levy

Member Johnson – aye

Member Perfetto – aye

Member Marolt – aye

Member Gustafson – aye

Mayor Johnson – aye

THE RESOLUTION 2010-48 WAS ADOPTED. 5 aye, 0 nay

Mayor Johnson thanked the Council and City employees for their work on the budget. Motion by J Johnson, second Perfetto to set a final budget public input meeting during the regular Council meeting at 7:00p.m., December 6, 2010. MOTION CARRIED.

Resolution 2010-49, Hwy. 61 billboard land lease agreement – The Council reviewed information about a land lease agreement between the City and Northshore Mining for a billboard on Hwy. 61. The Economic Development Authority recommends approval of this agreement. Motion by Perfetto, second J Johnson to adopt Resolution 2010-49, authorizing to execute a sign lease agreement for the Highway 61 business billboard.

Member Marolt – aye

Member Johnson – aye

Member Gustafson – aye

Member Perfetto – aye

Mayor Johnson – aye

RESOLUTION 2010-49 was ADOPTED. 5 aye, 0 nay

Resolution 2010-50, Hwy. 61 billboard land lease agreement – The Council reviewed information about a joint lease agreement between the City and Julie's Hardware, Northwoods Cafe, Jimmy's Pizza and Bri-Esa's Convenience Store for a billboard on Hwy. 61, on Northshore Mining property. The Economic Development Authority recommends approval of this agreement. Motion by Marolt, second Gustafson to adopt Resolution 2010-50, authorizing to execute a joint ownership agreement for the Highway 61 business billboard.

Member Marolt – aye

Member Johnson – aye

Member Gustafson – aye

Member Perfetto – aye

Mayor Johnson – aye

RESOLUTION 2010-50 was ADOPTED. 5 aye, 0 nay

There was further discussion about returning a billboard to a site on Highway 61 in the Business Park.

Wilderness Family Naturals Lease Agreement – The Council reviewed an agreement for Wilderness Family Naturals to lease space at the Mary MacDonald Center. It was noted that this lease is on a month to month basis. The Mary MacDonald Building Committee recommends approval of this lease. Motion by Gustafson, second J Johnson to approve the agreement with Wilderness Family Naturals to lease space at the Mary MacDonald Center. Gustafson, Perfetto, J Johnson and Mayor Johnson voted aye, Marolt voted nay. MOTION CARRIED.

Fit City Grant – It was noted that the bike racks, purchased with this grant, came with a different kind of mounting system than what was desired, and so there has been an additional \$635 expense for the bike racks. It was reported that another Fit City Grant is being applied for to cover this cost.

CITY ATTORNEY – No further business was presented by the attorney.

OLD BUSINESS

Airport Closing Update – Mayor Johnson reported on a meeting that himself and Gustafson had with Congressman Oberstar, in relation to this subject. There was discussion about FAA regulations for closing an airport and the repayment of grant monies, marketing of the airport and strategies for increased usage of the airport, other funding sources for the airport, and regionalization of airport operations.

NEW BUSINESS

Dump Station Hwy. 61 Sign removal – The Public Utilities Commission has been studying the cost of maintaining the dump station and recommends removal of the dump station sign along Hwy. 61. There was discussion about increased monitoring, and whether or not RV users stop at local businesses when using this site. This issue was referred back to the Public Utilities Commission.

Claims – Motion by Gustafson, second Marolt to approve payment of \$116,204.38 paid claims and \$164,482.30 in unpaid claims. MOTION CARRIED.

Motion by Perfetto, second Marolt to adjourn at 7:38p.m. MOTION CARRIED.

Minutes taken by Lance K Beachem

Scott M. Johnson, Mayor

Lana Fralich, City Administrator