

CITY COUNCIL

7:00 P.M.

September 8, 2009

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

Lana Fralich, City Administrator
Gerald Morris, City Attorney
Norma O'Leary, Golf Course Manager

Mark Crenshaw, Bear Island Surveying
Jennifer Mattson, Patty Payne, Bayview Reality
Ruth Koepke

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

Agenda – Resolution 2009-48 was added to the City Administrators report, and Sunday Liquor License was added to New Business. Motion by Marolt, second Perfetto to approve the agenda as amended. MOTION CARRIED.

Consent agenda – Motion by Perfetto, second Kelley to approve the minutes of the August 17 Council meeting, the minutes of the August 31 Budget Workshop meeting, and the June financial report. MOTION CARRIED.

Petitions, Requests and Communications

The League of Minnesota Cities will hold their regional meeting on September 30 in Virginia. Motion by Perfetto, second Marolt to approve that two City Council members and the City Administrator attend the League of Minnesota Cities regional meeting. MOTION CARRIED.

City Administrator

Plat of Ramsdell Addition – Maps of the final plat were presented and a letter from the attorney addressing the process to approve the final plat was reviewed. There was discussion about the plat. There was also discussion that the final plan needs to conform to the conditions set in the Resolution those being, the final plan conforms to the Preliminary Plan as approved by the Planning and Zoning Commission and to all engineering and surveying standards and specifications as set forth by State Law and the City Code, and further conforms to all municipal plans, also that all conditions and requirements as set forth by the Commission have been met, except as follows, which Patrick John Ramsdell has or will complete, either through the performance or execution of agreements

assuring performance, these areas include, completion of Ramsdell Heights Drive to minimum road constructions standards, completion of storm water drainage and erosion control measures, and receipt of report of review and approval by the peer review engineer.

Motion by Perfetto, second Marolt to adopt Resolution 2009-49 approval of the Final Plat of the Ramsdell Addition to Silver Bay.

Member Kelley – aye

Member Perfetto – aye

Member Marolt – aye

Member Gustafson – aye

Mayor Johnson – aye

THE RESOLUTION WAS ADOPTED. 5 aye, 0 nay

Resolution 2009-44 Water Emergency and Conservation Plan – The Plan was written up in 2005, and currently needs to be adopted by resolution and sent to the MN DNR. The Public Utilities Commission has recommended adoption of the Plan. There was discussion that the City will continue to study the economic feasibility of installing water meters. There was also discussion about funding sources for the water system grants. Motion by Kelley, second Gustafson to adopt Resolution 2009-44 certifying the adoption of the Water Emergency Conservation Plan of the City of Silver Bay and authorize Michael Miller, the Public Utilities Superintendent, to sign on behalf of the Municipal Water System to the Minnesota Department of Natural Resources.

Member Kelley – aye

Member Perfetto – aye

Member Marolt – aye

Member Gustafson – aye

Mayor Johnson – aye

THE RESOLUTION WAS ADOPTED. 5 aye, 0 nay

Resolution 2009-45 2010 Proposed Budget Expenditures – There was discussion about the proposed expenditures. For 2010, the total proposed revenues that include the enterprise funds are \$5,004,050 and total proposed expenditures are \$5,127,638, which includes \$198,000 of depreciation. Motion by Perfetto, second Marolt to adopt Resolution 2009-45 Proposed Fiscal Year 2010 Budget

Member Kelley – aye

Member Perfetto – aye

Member Marolt – aye

Member Gustafson – aye

Mayor Johnson – aye

THE RESOLUTION WAS ADOPTED. 5 aye, 0 nay

Resolution 2009-46 Proposed 2010 Levy – There was discussion on the proposed levy, and that the Council and City employees have worked hard to minimize levy increases, despite a cut in Local Government Aid for 2010. The proposed 2010 levy is \$947,733 which is an increase of 9.4% over 2009. The estimated net tax capacity by Lake County is 2% for Silver Bay, which would result in an increase of an estimated 7.4% to the taxpayers. Motion by Gustafson, second Kelley to adopt Resolution 2009-46 Proposed 2009 collectible 2010 Tax Levy

Member Kelley – aye

Member Perfetto – aye

Member Marolt – aye
 Mayor Johnson – aye
 Member Gustafson – aye
THE RESOLUTION WAS ADOPTED. 5 aye, 0 nay

2010 Truth in Taxation Meeting – The city is not required to hold a special Truth in taxation meeting, but may take public input at a regular scheduled council meeting where the final budget and levy decision will be discussed. There was discussion about property tax values within the City. Motion by Marolt, second Perfetto, to set the regular Council meeting of 7:00p.m., Monday, December 7 as the meeting to take public input and discuss the final 2010 budget and levy. MOTION CARRIED.

John’s Sanitary Proposed Garbage Rate Changes – A letter from John’s Sanitary was reviewed. It has been four years since there has been a rate increase for garbage collection. The letter requested a rate change from \$14.95 to \$16.80 per month, and a change in the monthly payment structure from the City. Council member Marolt and Administrator Fralich have reviewed this proposal. Motion by Perfetto, second Kelley to approve an increase in garbage rates from \$14.95 to \$16.80 per month to begin in the 4th Quarter of 2009, and to change the payment structure to \$6,000 per month beginning January 2010. MOTION CARRIED.

Resolution 2009-47 Sub-grant Agreement Homeland Security and Emergency Management – There was discussion about the reimbursement funding from the Ice Storm of March 23, and the quick response by FEMA to the funding requests. Motion by Marolt, second Kelley to adopt Resolution 2009-47 authorizing the City of Silver Bay to enter into a sub-grant agreement with the State of Minnesota through the Homeland Security and Emergency Management Division for the emergency clean up that was a result of the March 23, 2009 ice storm in the City of Silver Bay and authorize the Mayor and City Administrator to sign the grant agreement

Member Kelley – aye
 Member Marolt – aye
 Mayor Johnson – aye
 Member Perfetto – aye
 Member Gustafson – aye
THE RESOLUTION WAS ADOPTED. 5 aye, 0 nay

Seasonal Employment – A list of seasonal employees that have completed their employment with the City in 2009 was presented to the Council. Dustin LaVigne was to be removed from the list. Motion by Perfetto, second Gustafson to accept the list of resignations of the seasonal employees presented to the Council. MOTION CARRIED.

Golf Course Equipment Lease – O’Leary stated that the old fairway mower is inoperable and needs to be replaced. The Council reviewed a letter from the Golf Course requesting that the City enter into a 5-year lease buyout for a Toro 5210 Fairway Mower, wherein the City would purchase the mower and would be

reimbursed by the Golf Course over the 5-year period. There was discussion about the old mower, about other Golf Course equipment, and about the payments and reimbursement schedule for this lease. Motion by Perfetto, second Marolt to authorize 5-year lease buyout for a Toro 5210 Fairway Mower for a total cost of \$45,914.74. MOTION CARRIED.

Waste Water Training – Mike Miller and Jason Roswold need to have continuing education within the next year to keep their licensure for land sludge application for the wastewater treatment facility. It was noted that the budget currently only allows for one person to attend training at this time. Motion by Marolt, second Perfetto to approve Mike Miller to attend the Wastewater Land Application Basic training in Brainerd on October 20-22 for \$280, plus \$91.91 per night lodging, plus mileage and meal expenses. MOTION CARRIED.

Resolution 2009 – 48 amending the contract with Johnson Wilson for the Mary MacDonald Rehabilitation project. – There was discussion about the change order to the Mary MacDonald Rehabilitation Project, and about the timetable for completion of the Project. The current change order brings the contract total to \$635,216. Motion by Perfetto, second Kelley to adopt Resolution 2009-43 authorizing to amend the contract to Johnson Wilson Constructors, Inc. for the rehabilitation project of the Mary MacDonald Business Center to expand the scope of the project.

Member Kelley – aye

Member Perfetto – aye

Member Marolt – aye

Member Gustafson – aye

Mayor Johnson – aye

THE RESOLUTION WAS ADOPTED. 5 aye, 0 nay

City Attorney – Morris reported to the Council regarding the City's responsibility in the certifications and licenses that are needed by City employees. He also read from the League of Minnesota Cities guidelines on certification and licensing. Fralich reported that a list of licenses and their expirations is being compiled for each department. There was discussion on water and wastewater licensing. There was also discussion regarding the City's role in the training, licensing and the upgrading of licenses of City employees.

OLD BUSINESS – No other old business was presented.

NEW BUSINESS

Sunday Liquor License – The issues of a Sunday liquor license and the requirements of Minnesota Statutes as they regard to the Municipal Liquor Store were discussed. Motion by Perfetto, second Gustafson to approve a Sunday on-sale liquor license to the Municipal Liquor Store for \$25 annually. MOTION CARRIED.

Claims –Motion by Perfetto, second Kelley to approve payment of \$122,522.21 paid claims and \$35,151.47 in unpaid claims. MOTION CARRIED.

Motion by Kelley, second Marolt to adjourn at 8:10p.m. MOTION CARRIED.

Minutes taken by Lance K Beachem

Scott M. Johnson, Mayor

Lana Fralich, City Administrator