

CITY COUNCIL

7:00 P.M.

December 17, 2018

Present: Mayor Scott Johnson
Carlene Perfetto
Shane Hoff
Richard DeRosier

Excused: Dustin Goutermont

Lana Fralich, City Administrator
Tim Costley, City Attorney
Joe Rhein, City Engineer – Bolton & Menk
Teri Cadeau, Lake County News Chronicle

Mayor Johnson called the meeting to order at 7:01 p.m.

Agenda – Motion DeRosier, second Perfetto to approve the agenda with the addition of Cooperative Agreement Amendment for the Silver Bay Marina. MOTION CARRIED.

Consent Agenda – Motion Perfetto, second Hoff to approve the December 3rd, 2018 Planning Workshop meeting minutes and the December 3rd, 2018 Regular Council meeting minutes. MOTION CARRIED.

Petitions, Requests and Communications

Annual RAMS Meeting – The RAMS annual meeting is scheduled for Thursday, January 10th, 2019 beginning at 5:00 p.m. at the Mt. Iron Community Center. Council Member Perfetto plans to be in attendance.

Lake County Sex Trafficking Proclamation – The Proclamation presented proclaiming the month of January 2019 as National Human Trafficking Awareness Month. A candlelight vigil will be held on Thursday, January 3rd, 2019 at the Courthouse in Two Harbors that the Mayor or Acting Mayor plan to attend. Motion Hoff, second DeRosier to approve the National Human Trafficking Awareness Month January 2019 Proclamation. MOTION CARRIED.

City Administrator

Renewal Application for Optional 2 a.m. Liquor License – The application, recommended by the Liquor Store Manager, is offered for Council approval. Motion DeRosier, second Hoff to approve the Renewal Application for Optional 2 a.m. Liquor License. MOTION CARRIED.

Beer, Liquor, Wine, and Cigarette License Renewals – The following license renewals for 2019 were presented: Zupancich Brothers, Inc – Cigarette License, Bri-Esa's Convenience Store – Cigarette License, Silver Bowl – Retail On-Sale Beer License, Northwoods Family Grille – Retail On-Sale Beer and Wine License, Silver Bay Golf Course

– Retail On-Sale Beer and Liquor License, and Silver Bay Municipal Lounge – On and Off Sale Liquor. Motion DeRosier, second Hoff to approve the above Beer, Liquor, Wine, and Cigarette License Renewals. MOTION CARRIED.

Resolution 2018 - #44 – Transportation Alternative Funding – The Transportation Alternative Funding Resolution is required to submit the application for the Transportation Alternative Funding, which is due on January 4, 2019. The amount of the application is for \$600,000 and will be used for the Multi-Modal Trailhead Center. Lake County will be the sponsoring agency. The City should know if funds are awarded by the summer of 2019, prior to when submission for State bonding applications are due, but the Transportation Alternative Funds will not be available until 2023 if awarded. Motion DeRosier, second Hoff to adopt the Transportation Alternative Funding Resolution.

Mayor Johnson – Aye
Member Perfetto – Naye
Member Hoff - Aye

Member Goutermont – Absent
Member DeRosier - Aye

RESOLUTION 2018-44 WAS ADOPTED: 3 aye, 1 naye, 1 absent

Resolution 2018 - #45 – Bolton-Menk Engineering for Trunk Sewer Line – Joe Rhein presented the preliminary engineering report for the trunk sanitary sewer line and the proposal to move forward with final engineering and design through bidding at an estimated cost of \$114,750 (with Geotech services). This cost does not include the construction management portion as this depends upon which construction option presents itself as the most cost-effective option following further engineering and design. Engineering for the project should be complete in order to have a better chance to obtain funding. The Public Utilities Commission recommends Council approval to continue with design and engineering of the project. Following the presentation, Joe Rhein answered questions presented by Council Members. Motion Hoff, second DeRosier to adopt Resolution 2018-#45 authorizing engineering services based upon Bolton & Menk's proposal for the trunk sewer line project at a cost of \$114,750.

Mayor Johnson – Aye
Member Perfetto –Aye
Member Hoff – Aye

Member Goutermont – Absent
Member DeRosier – Aye

RESOLUTION 2018-45 WAS ADOPTED: 4 aye, 0 naye, 1 absent

Resolution 2008 - #46 – DEED Grant Agreement for Campground – The DEED Grant Agreement for the Black Beach Campground in the amount of \$1,765,000 was reviewed. The bonding funds were legislatively awarded this past session. The language in the agreement cannot be amended, but has been forwarded to the City Attorney for review. Motion Hoff, second DeRosier to adopt the DEED Grant Agreement for Campground Resolution.

Mayor Johnson – Aye
Member Perfetto –Naye
Member Hoff – Aye

Member Goutermont – Absent
Member DeRosier – Aye

RESOLUTION 2018-46 WAS ADOPTED: 3 aye, 1 naye, 1 absent

Cooperative Agreement Amendment with Silver Bay Marina – The termination date in the previously approved Cooperative Agreement between the State of Minnesota and the City of Silver Bay for the Silver Bay Marina agreement has been amended from December 31, 2025 to December 31, 2024. The agreement amounts have not been changed. Motion Hoff, second Perfetto to accept the amended dates within the Cooperative Agreement from December 31, 2025 to December 31, 2024. MOTION CARRIED.

City Attorney

Costley and Morris Attorney Contract Renewal – Motion Perfetto, second DeRosier to accept the renewal contract of Costley and Morris at \$3,500 per month and \$150.00 per hour for services as stated in the contract agreement. MOTION CARRIED.

OLD BUSINESS

Black Beach Municipal Campground Bids – The bids have been reviewed and tabulated and the contractors are currently being vetted by the engineers. The City has 90 days to award the bid.

NEW BUSINESS

Resignation of Ward Danielson from the Silver Bay Fire Department – Ward Danielson submitted a letter of resignation to the Fire Department effective November 7, 2018. Motion DeRosier, second Perfetto to accept the resignation of Ward Danielson from the Silver Bay Fire Department effective November 7, 2018. MOTION CARRIED.

Council Members thank Ward Danielson for his service.


Board Appointments – Steve VanHouse renewal application for the Planning and Zoning Commission and Seth Thun renewal application for the Economic Park Advisory Board. Motion Perfetto, second Hoff to accept the renewal applications of Steve VanHouse and Seth Thun. MOTION CARRIED.

2018 Year In Review – City Administrator reviewed the highlights of the 2018 year. City Administrator and Council Members thank all residents, volunteers, board and commission members, and staff for all of the hard work they have done.

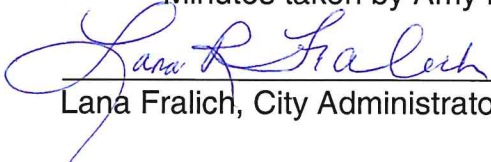
Claims – Motion DeRosier, second Perfetto to approve payment of \$281,993.81 in unpaid claims and \$48,771.72 in paid claims. MOTION CARRIED.

Motion Perfetto, second Hoff to adjourn at 8:07 p.m. MOTION CARRIED.

Minutes taken by Amy Nelson



Scott M Johnson, Mayor



Lana Fralich, City Administrator